



# STEEL CITY SECURITIES LIMITED

*30<sup>th</sup>*  
**Annual Report**  
**2023-24**





**REGISTERED AND CORPORATE OFFICE BUILDING**



**STEEL CITY SECURITIES LIMITED**  
(CIN: L67120AP1995PLC019521)  
VISAKHAPATNAM

**30<sup>th</sup> ANNUAL GENERAL MEETING**

to be held on  
28<sup>th</sup> Day of September, 2024 at 11:45 A.M.

**Registered Office:**

“ Steel City Heights”, # 50-81-18,  
Main Road, Seethammapeta,  
Visakhapatnam – 530016  
Phone : 0891- 2563581, Fax: 0891- 2563585  
E-mail : investorrelations@steelcitynettrade.com,  
ramu.n@steelcitynettrade.com  
Website : www.steelcitynettrade.com



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### COMPANY INFORMATION

#### BOARD OF DIRECTORS:

1. **K. Satyanarayana**  
Executive Chairman
2. **Satish Kumar Arya**  
Managing Director & CEO
3. **T. V. Srikanth**  
Director (Information Technology)
4. **G. V. Vandana**  
Non – Executive Director
5. **G. Satya Rama Prasad**  
Independent Director
6. **B. Krishna Rao**  
Independent Director
7. **G. Vijaya Kumar**  
Independent Director
8. **E. Sridhar**  
Independent Director

#### CHIEF FINANCIAL OFFICER

**N. Ramu**

#### COMPANY SECRETARY & COMPLIANCE OFFICER

**M. Srividya**

#### STATUTORY AUDITORS

**M/S. Rao & Kumar**  
Chartered Accountants  
10-50-19/4, 'Soudamani',  
Siripuram, Visakhapatnam

#### SECRETARIAL AUDITORS:

**M/S. ASN Associates**  
Company Secretaries  
9-29-19/A, Flat No: 201,  
Waltair Heights, Balaji Nagar,  
VIP Road, Siripuram,  
Visakhapatnam

#### REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited

#### BANKERS TO THE COMPANY

HDFC Bank Limited

Karnataka Bank Limited

Karur Vysya Bank Limited



## COMPOSITION OF BOARD COMMITTEES

### Members of Audit Committee

SI No	Name of the Member	Designation
1.	G. Satya Rama Prasad	Chairman, Non-Executive Independent Director
2.	B. Krishna Rao	Member, Non-Executive Independent Director
3.	E. Sridhar	Member, Non-Executive Independent Director
4.	G.V. Vandana	Member, Non-Executive Director

### Members of Nomination and Remuneration Committee

SI No	Name of the Member	Designation
1.	G. Satya Rama Prasad	Chairman, Non-Executive Independent Director
2.	B. Krishna Rao	Member, Non-Executive Independent Director
3.	G. Vijaya Kumar	Member, Non-Executive Independent Director

### Members of Stakeholder Relationship Committee

SI No	Name of the Member	Designation
1.	B. Krishna Rao	Chairman, Non-Executive Independent Director
2.	G. Vijaya Kumar	Member, Non-Executive Independent Director
3.	Satish Kumar Arya	Member, Managing Director
4.	T. V. Srikanth	Member, Director (IT)

### Members of Corporate Social Responsibility (CSR) Committee

SI No	Name of the Member	Designation
1.	K. Satyanarayana	Chairman, Executive Chairman
2.	Satish Kumar Arya	Member, Managing Director
3.	G. Satya Rama Prasad	Member, Non- Executive Independent Director

### Members of Internal Complaints Committee

SI No	Name of the Member	Designation
1.	G. V. Vandana	Chairperson, Non-Executive Director
2.	Satish Kumar Arya	Member, Managing Director
3.	M. Srividya	Member, Company Secretary



## Our Team



**K. Satyanarayana**  
Executive Chairman



**Satish Kumar Arya**  
Managing Director & CEO



**T.V. Srikanth**  
Director (IT)



**G.V. Vandana**  
Non-Executive Director



## Our Team



**G. Satya Rama Prasad**  
Independent Director



**G. Vijaya Kumar**  
Independent Director



**E. Sridhar**  
Independent Director



**B. Krishna Rao**  
Independent Director



**N. Ramu**  
Chief Financial Officer



**M. Srividya**  
Company Secretary & Compliance Officer





## Message From the Chairman

Dear Shareholders,

I am honoured to place before you the 30<sup>th</sup> Annual Report of our Company. We all feel proud about relentless journey of three decades and leading as a most trusted Financial and E-Governance Services Company in the Financial Markets PAN India. We have stayed committed to delivering the best suited-products for our clients and has earned the trusted brand name “Steel City”.

The Indian stock market is also a compounding machine. A key metric here is that since the turn of the century, India’s market capitalisation has compounded at the rate of 17%. Over the same period, the Nifty-50 index has compounded at the rate of 12%. More recently, partly triggered by Covid, SEBI permitted the digital onboarding of customers. As an icing on the cake, interest rates have remained low. All these factors have led to a mega trend – a perceptible shift in the investment pattern of our Investors. Increasingly, savings are moving out of bank deposits and into the equity market. The indicators are staggering. Over the last four years, the number of demat accounts has compounded at a mind-boggling 39% to hit 15 Crore as of March 2024. During the same period, monthly SIP (Systematic Investment Plan) flows into mutual funds more than doubled from H 8,000 Crore to H 20,000 Crore.

Over the last 25 years, India’s cumulative Gross Domestic Savings has grown to about USD 13 trillion. Going forward, the next 25 years’ cumulative savings could hit USD 100 trillion. Interestingly, the equity penetration in our Country has been low – of the total household assets, equities comprise less than 5%. Given India’s young population, which typically possesses a higher risk appetite, I expect the penetration of equities to rise significantly. This should sustain the current mega equity retail trend.

Despite of various market headwinds, we have continued to deliver sustainable performance by earning a revenue of Rs. 6258.28 lakhs by earning a profit after tax of Rs. 1186.28 lakhs. We proudly inform you that continuing the tradition of wealth maximization of Shareholders, your Company has declared an Interim Dividend @20% and proposed a final Dividend @10% making a total of 30% of Dividend during the F.Y. 2023-24.

On the brighter side, I would like to proudly announce that apart from the newly constructed Five storied own registered office of the Company, the Company through its wholly owned Subsidiary, M/s. Steel City Commodities Private Limited, has purchased a site admeasuring 555 Sq yards at Rajendra Nagar, Prime location in Visakhapatnam and proposed to construct a new five storied own building admeasuring 18000 sft(approx.).

Advances in technology, increasing the smart phone penetration and increasing digitization at systematic level are expected to lead more retail investors to adopt and consume financial



## Steel City Securities Limited

services through Online. We have also launched new version of Mobile app (Steel City SMART) Plus. We strongly believe significant growth of business transactions through our mobile app will grow day by day. We have completely digitalized the on-boarding process (Quick KYC) whereby clients can open SCSL Demat & Trading accounts instantly and will also help to onboard new client's quickly and hassle free. Further, Your Company has been appointed as Central Record Keeping – Facilitaion Center of Protean E- Governance Technologies Limited.

We have plans to broaden and deepen geographical presence and expand distribution networks in the Northern and Western market of India and plan to reach to over 50000+ E-Governance centers by FY 25. We are focusing on augmenting the product line under the E-Governance segment with emphasis on NPS promotion and also leveraging the TIN centers for distribution of third party products i.e., Mutual funds, insurance schemes, Loans, credit cards, IPO's distribution etc.

My gratitude goes out to all of you – our loyal shareholders who have stood by us all along and our new investors who have come on board most recently, as we come together to reflect on the journey that has led us to this height. Furthermore, we acknowledge and celebrate the exceptional dedication and hard work of the entire Steel City Team. Their relentless efforts have delivered unparalleled service and contributed to our remarkable performance. Each member of our team embodies our values and commitment to excellence, and we are immensely proud of their contributions to our success. With the continued support of our valued partners and the dedication of our exceptional team, we are confident in our ability to navigate challenges, seize opportunities, and build a brighter future for Steel City and all those our Clients / Stakeholders.

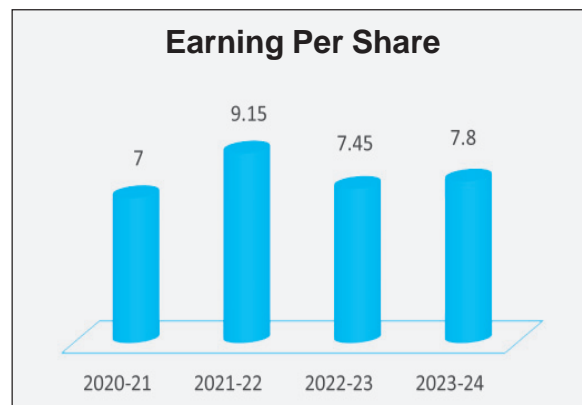
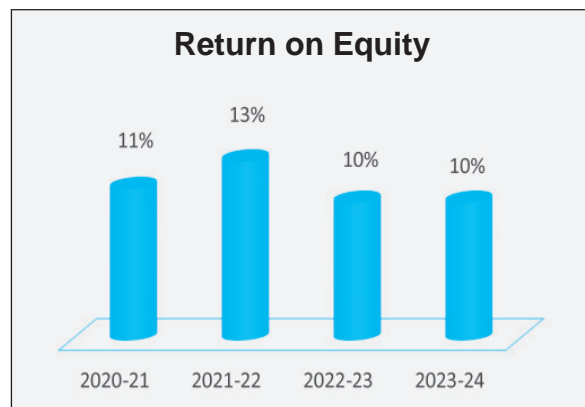
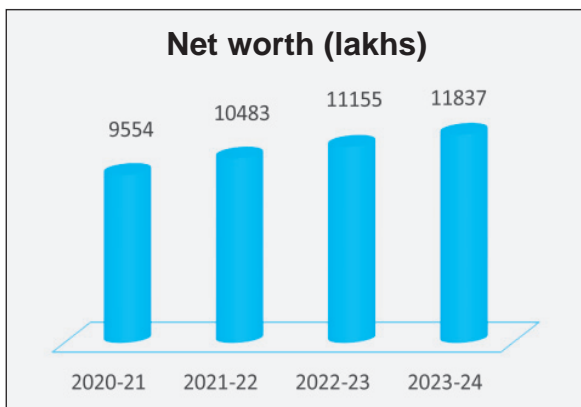
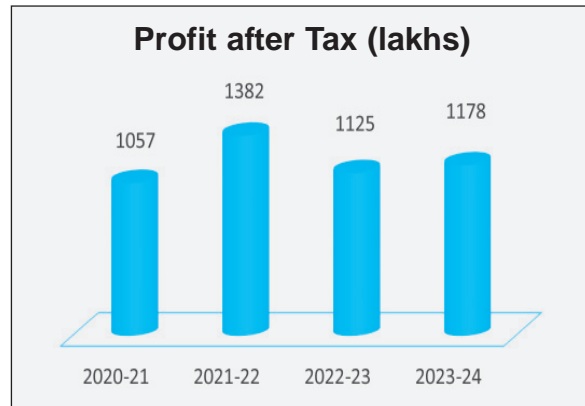
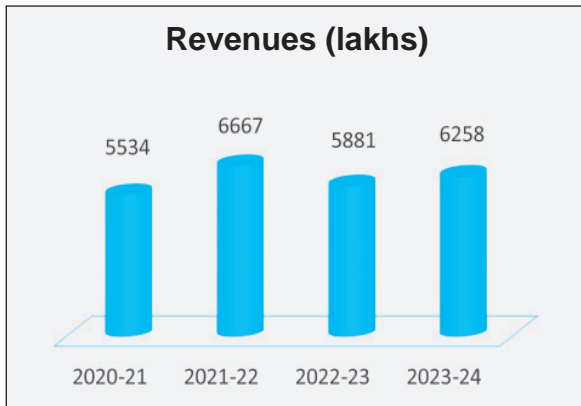
We would like to thank all our esteemed Shareholders, Bankers, Auditors, Business Partners, Customers and Employees for their continuous and dedicated support in realizing our vision and goals. I would like to extend my gratitude to our Board of Directors for their continuous able guidance and support. We are totally committed to put our hard and best efforts to maximize the wealth of our stakeholders. We will not leave any corner untouched, which will help in improving the growth of our Company.

With Best Wishes to all.

**K. Satyanarayana**  
Executive Chairman



### PERFORMANCE AT A GLANCE



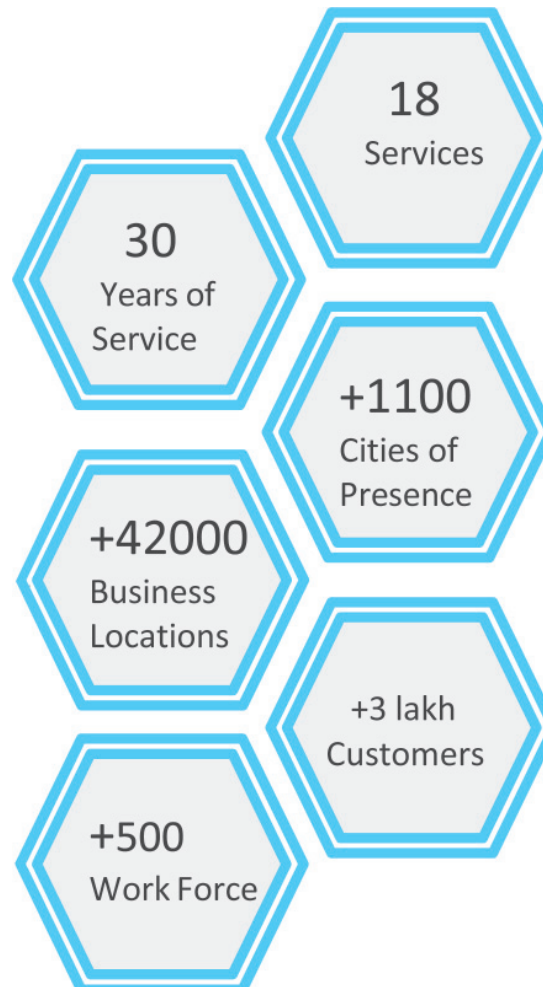


### BUSINESS OVERVIEW

Steel City Securities Limited ('Steel City' / 'Our Company') is incorporated in 1995 which is one of the most reputable financial services companies in India with leadership position in e-governance services. A strong fusion

of professional skill and promotional vision. Head quartered in Visakhapatnam, today 'Steel City' provides whole range of diversified financial services to its clients through a well-established network of branches and offices. We have very strong track record of timely payout since 30 years. We support openness at each stage of the investing process. We are pioneers in introducing the "Franchisee model" to extend business potential in urban and rural areas PAN India. In order to assist customers and businesses succeed in the digital era, we leverage the constantly changing landscape of new business platforms and cutting-edge core technology. We do this by bringing in top talent from the industry. The brand is epitome of "confidence as strong as steel" further strengthened by its ISO 27001:2013 certification.

The company is having business operations in 35 states & union territories across India. It has a diversified business portfolio covering Capital Market services, e-Governance services, National Pension System (NPS) Services as Point of Presence (PoPs), Investment advisory in the form of distribution of Mutual Funds, Bonds, IPOs & Corporate Fixed Deposits, Currency Trading, Commodity Broking, Insurance Distribution, Credit cards, Home Loans, Gold Loan, Personal Loan, Business Loan, Education Loan & NBFC services.





### Our Services

The business verticals & Services offered by the company are enumerated as below:

#### Steel City Securities Limited

- Online & Mobile App based Capital & Commodity market trading
- Online Currency Trading and Mutual Funds
- NSDL & CDSL Depository Services
- Investment Advisory on Mutual Funds, Bonds, FDR's

#### Steel City Commodities Private Limited

- IRDA registered Life, Non-Life and Health Insurance Distributor
- Credit Cards(HDFC Bank)



#### Steel City Securities Limited

- TIN facilitation center (FC) and PAN Centre
- POP for NPS
- NSDL-licensed National Insurance Repository (NIR)
- Unified distribution Products (UPD)
- Central Record Keeping Facilitation Center (CRA – FC)

#### NBFC (Steel City Financial Services Private Limited)

- Housing Loans
- Project Loan financing
- Loans against Shares

### Capital Market Services:

'Steel City' is the member & provides trading platform of NSE, BSE, MCX, NCDEX & MSE for stock, derivatives, commodity and currency segment.

It has an online E-Broking portal along with a Mobile application named "Smart Plus" through which the Company provides online trading platform to its clients supported by investment advice and equity research. 'Steel City' is a Depository Participant of NSDL & CDSL.

### Insurance:

Steel City Commodities Private Limited provides distribution of life, non-life and health insurance products of all the leading insurance Companies.

It holds approval from IRDA to conduct the said insurance business. It is authorized distributor of insurance policies of ICICI prudential, SBI life, Religare Health, Star Health, Future General, United India Insurance Company Limited and Life Insurance Corporation of India.

### Non-Banking Financial Services:

'Steel City' through its Associate Company viz; Steel City Financial Services Private Limited (a non-systematically important non deposit accepting Non-Banking Finance Company) provides NBFC services like project loan financing, housing loans and loans against Shares to its clients.

### E-Governance:

E-Governance products served by 'Steel City' include PAN, TAN, E-TDS, AIR & Form 24G



‘Steel City’ has been appointed as a TIN-FC (Tax Information Network – Facilitation Centre) of Protean e-Governance.

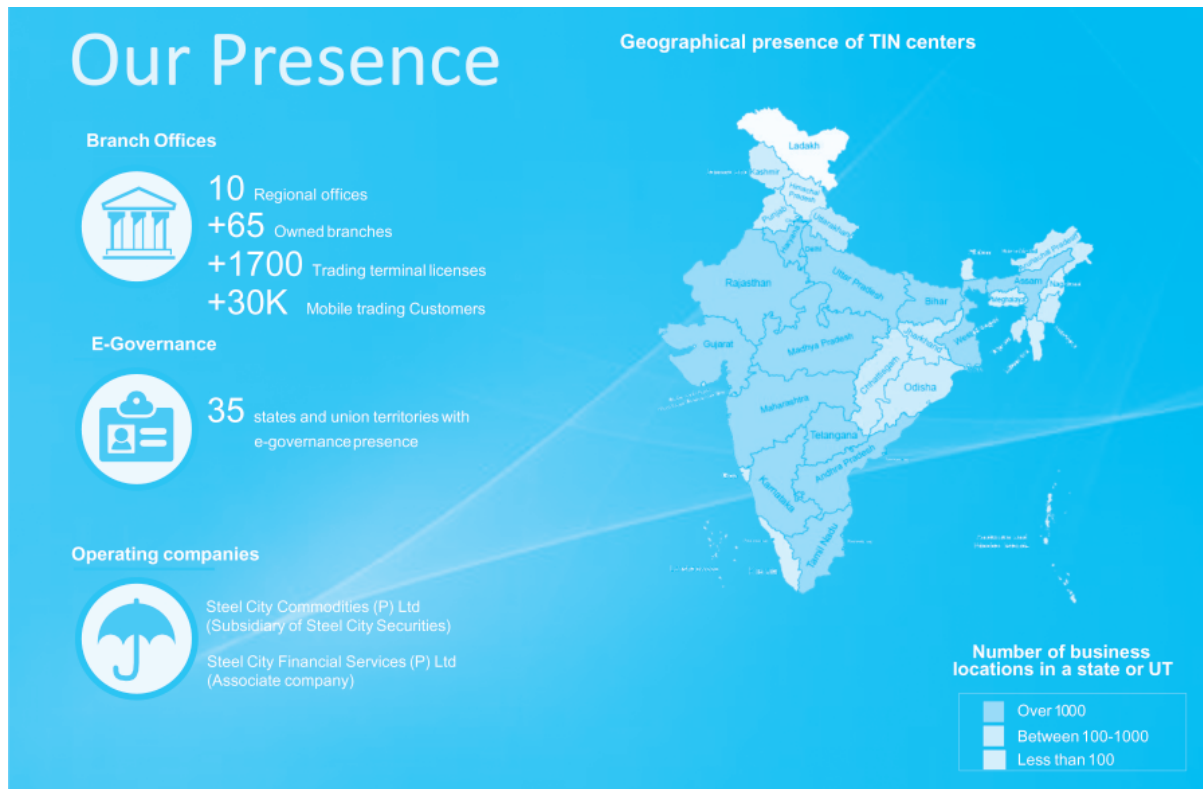
‘Steel City’ has been recognized as Point of Presence (POP) by PFRDA (Pension Fund Regulatory & Development Authority, Government of India).

‘Steel City’ is an approved entity for National Insurance Repository (NIR) wherein insurance policies are held in electronic form in a single E-Insurance Account.

“Steel City” also acts as a Central Record Keeping Facilitation center (CRA FC) of Protean Egov Technologies Limited.

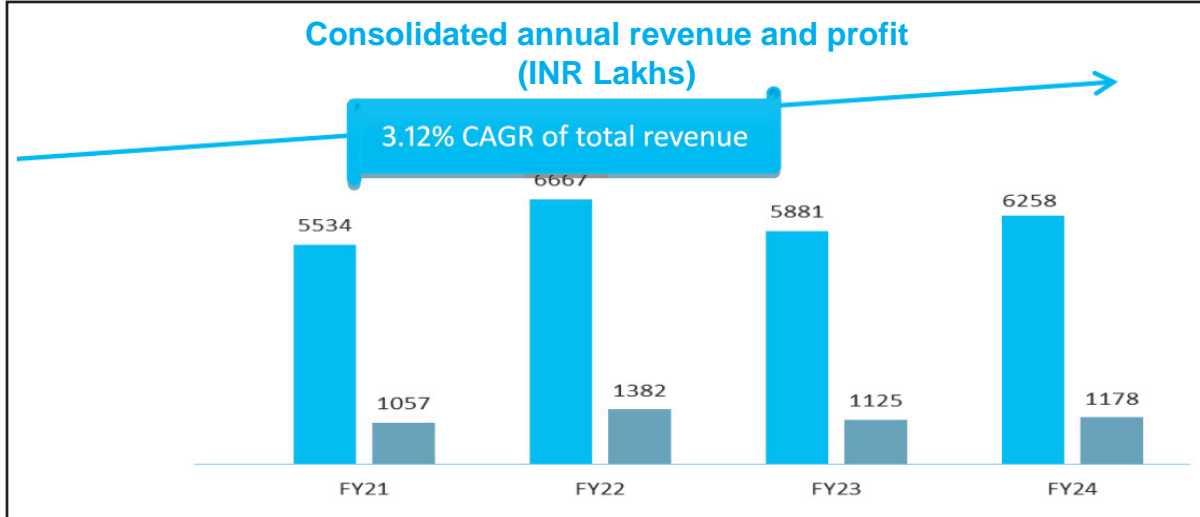
‘Steel City’ is one of the competent broking outfits who has been recognized and authorized to provide above e-governance services by respective regulators.

### Our Presence



### Financial Highlights

FY24 witnessed a year-on-year growth in e-governance centers. During FY24 the revenue stood at Rs. 6258 lakhs while net profit after tax stood at Rs.1179 lakhs. Continuing the tradition of shareholder’s wealth maximization, the company paid a dividend (30% in FY2023-24).

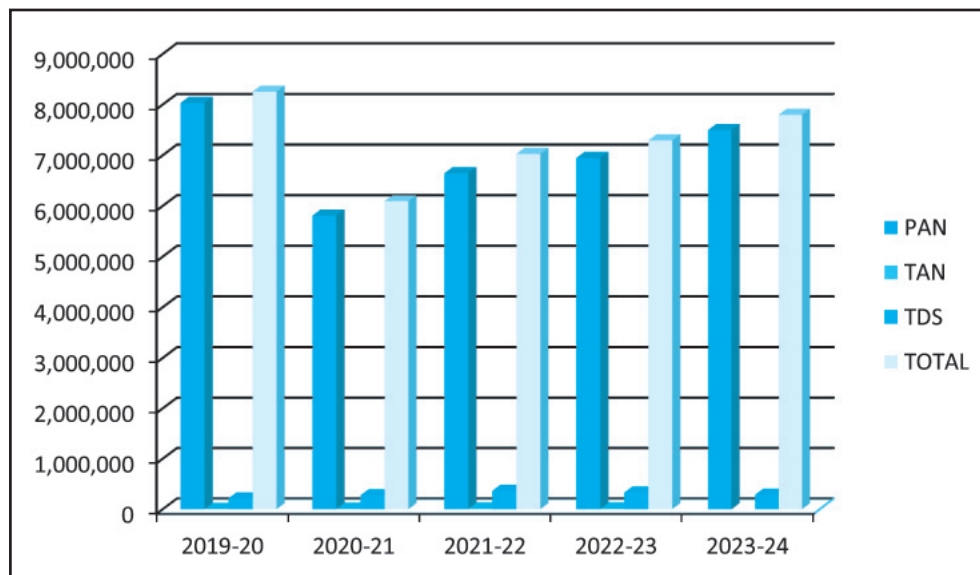


### TIN-FC YEARLY PERFORMANCE (Statistical data)

	PAN	TAN	TDS	TOTAL
2019-20	80,33,961	8,551	2,13,998	82,56,510
2020-21	58,11,276	11,689	2,74,556	60,97,521
2021-22	66,46,234	16,387	3,65,632	70,28,253
2022-23	69,46,964	17,268	3,30,226	72,94,458
2023-24	74,99,091	15,305	2,84,857	77,99,253
<b>Total</b>	<b>3,49,37,526</b>	<b>69,200</b>	<b>14,69,269</b>	<b>3,64,75,995</b>

(Numbers till 31st March 2024)

### TIN-FC YEARLY PERFORMANCE (Graph)

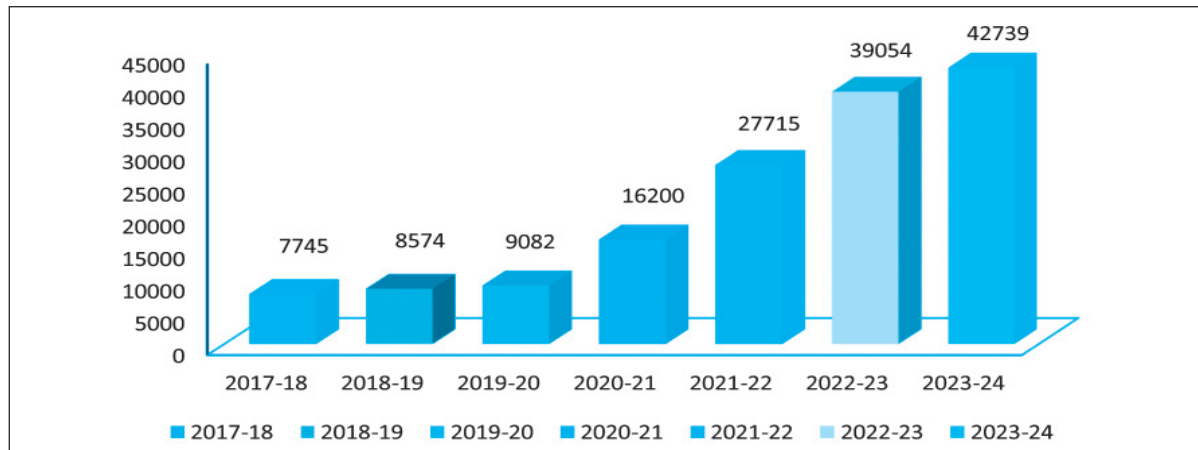




### TIN-FC BRANCH EXPANSION NETWORK (Statistical Data)

Period	No of Centers (Cumulative)
2018-19	8,574
2019-20	9,082
2020-21	16,249
2021-22	27,715
2022-23	39,054
2023-24	42,739

(Numbers till 31<sup>st</sup> March 2024)



### Infrastructure

Company is having its own five storied Corporate and registered office at Visakhapatnam admeasuring 18000 Sft. We also have an owned office covering an area of about 1200 sq.ft. located at Ongole and an area of about 920 sq.ft. located at Tirupathi. Besides this 65 other branch offices are operated through leased premises admeasuring about 55,000 Sq.ft. area. The Company through its Wholly Owned Subsidiary (i.e.), M/s. Steel City Commodities Private Limited has purchased an own site admeasuring 555 Sq yards and proposes to build another five storied building with a build up area of about 18,000 Sft at Rajendra Nagar, Visakhapatnam. All the other centers of authorized set ups covers an average area of about 400-1000 sq.ft. per centre.

Technology is an integral part of the financial industry. We at Steel City Securities Limited strives to provide best in class service by providing the top notch technology Platforms for our customers. 'Steel City' has countrywide connectivity via broadband based trading terminals installed to access and trade in all segment like Capital market, Futures & Options & Commodity and Currency Trading.

In order to catch up with disruptive technology trend, our company developed mobile trading app for online trading named ' Smart Plus' and continuously strives to upgrade the version of the mobile app to meet the changing market conditions. The company ensures prompt enhancement of its core application like trading platform, trading back office etc. We also maintain disaster recovery site for back up services. This enables it to satisfy business needs as well to maintain seamless service to our customers.





### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the **Thirtieth Annual General Meeting** of the Members of Steel City Securities Limited will be held on Saturday, the 28<sup>th</sup> day of September, 2024 at 11.45 A.M at the Registered Office of the Company at situated at “Steel City Heights”, # 50-81-18, Main Road, Seethammampeta, Visakhapatnam -530016.

#### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements( both Standalone & Consolidated Financial Statements) consisting of Statement of Profit & Loss and Cash Flow Statement for the Financial Year ended 31<sup>st</sup> March, 2024 and the Balance Sheet of the Company as on that date, Schedules and Notes thereon together with the Reports of the Board of Directors and 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 (both Standalone & Consolidated Financial Statements) of the Company for the Financial year ended 31<sup>st</sup> March 2024, consisting of Balance Sheet as at 31<sup>st</sup> March, 2024, Statement of Profit and Loss and Cash flow Statement for the year ended 31<sup>st</sup> March, 2024 together with the notes to Financial Statements and the Reports of the Board of Directors and Auditors including Annexure thereof laid before this meeting , be and are hereby considered and adopted.”

2. To confirm the 1<sup>st</sup> and 2<sup>nd</sup> Interim Dividend on Equity Shares and to declare Final Dividend for the Financial Year 2023-24.

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

“**RESOLVED THAT** 1<sup>st</sup> Interim Dividend @ 10% i.e., Re. 1 /- ( Rupee One Only ) per Equity Share of the Company declared by the Board of Directors of the Company at its meeting held on 8<sup>th</sup> day of July, 2023, be and is hereby confirmed. “

“**RESOLVED THAT** 2<sup>nd</sup> Interim Dividend @ 10% i.e., Re. 1 /- ( Rupee One Only ) per Equity Share of the Company declared by the Board of Directors of the Company at its meeting held on 5<sup>th</sup> February, 2024 be and is hereby confirmed. “

“**FURTHER RESOLVED THAT** a Final Dividend @ 10 % i.e., Re. 1.00/- (Rupee One Only ) per Equity Share of the Company for the Financial Year 2023-24, as recommended by the Board of Directors be and is hereby declared and approved.”

3. To re-appoint Smt. G. V. Vandana (DIN: 07548398) as Director of the Company whose office is liable to retire by rotation 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** Smt. G. V. Vandana (DIN: 07548398) who retires as Director pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company.”



#### 4. RATIFICATION OF THE APPOINTMENT OF AUDITORS:

To ratify the appointment M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam (FRN: 03089S) as Statutory Auditors of the Company for the Financial year 2024-25.

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

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the appointment of M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam (FRN: 03089S) be and is hereby ratified for the Financial Year 2024-25, at such remuneration and out of pocket expenses as mutually agreed between the Board and the Auditors.”

**Regd. Office:**

“Steel City Heights”, #50-81-18  
Main Road, Seethammapeta,  
Visakhapatnam – 530 016  
Andhra Pradesh  
Place: Visakhapatnam  
Date: 06.08.2024

**By Order of the Board of Directors  
For Steel City Securities Limited**

**(M. Srividya)  
Company Secretary & Compliance Officer  
(Mem No: A41129)**



### NOTES:

1. Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote, instead of himself / herself and the proxy need not be a Member of the Company. A Proxy so appointed shall not have right to speak at the meeting. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

A Proxy submitted on behalf of a Company, Trust or Society must be supported by an appropriate Resolution or Authority as applicable. A person can act as a Proxy on behalf of Members not exceeding Fifty (50) and holding in aggregate not more than 10% (Ten percent) of the total Share Capital of the Company carrying voting rights. In case, a Proxy is proposed to be appointed by a Shareholder holding more than 10% (Ten percent) of the total Share Capital of the Company carrying Voting rights, then such Proxy shall not act as Proxy for any other person or Shareholder.

Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, December 14, 2021 the Company is providing facility of Remote e-voting (E-voting from a place other than venue of the Meeting) and E-voting during AGM, to its Members in respect of the businesses to be transacted at the AGM.

For this purpose, necessary arrangements have been made by the Company with Big share Services Private Limited to facilitate Remote e-voting and E-voting during AGM. The instructions for the process to be followed for Remote e-voting and E-voting during AGM is forming part of this Notice.

2. Members / Proxies shall bring attendance slips filled in and duly signed for attending the meeting.
3. Documents referred to in the Notice are open for inspection at the Registered Office of the Company during working hours on all working days till the date of Annual General Meeting and also at the place of the Meeting at the scheduled time of the Annual General Meeting.
4. Pursuant to section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September, 2024 to 27<sup>th</sup> September, 2024 (both days inclusive) to determine the list of Shareholders who are eligible to receive the Final Dividend that is going to be declared at the Annual General Meeting.
5. In compliance with the MCA circulars and SEBI circular, Notice of AGM along with the Annual Report for FY 2023-24 will be sent to those Members whose name appear in the register of Members / beneficial owners maintained by depositories as on the Benpos date i.e., 23<sup>rd</sup> August, 2024, members may note that the notice and Annual Report for F Y 2023-24 will also be available on the website of the Company i.e., [www.steelcitynettrade.com](http://www.steelcitynettrade.com) and also on the website of the stock exchange i.e., National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) .



6. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. Members are requested to send their queries, if any, in writing at least 10 days in advance of the date of the Meeting to the Company at its Registered Office.
8. Shareholders desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Registrar and Share Transfer Agent: M/s. Bigshare Services Private Limited have been appointed by the Company as Registrar and Share Transfer Agent by the Company. Hence, Depository Participants/ Shareholders / Investors of the Company are advised to send all documents / correspondence such as requests for Dematerialization of Shares, Transfer of Shares, Change of Address , Registration of e- mail id, Change of Bank Mandate / NEACS , and other Shares related documents.
10. Green Initiative: As a responsible Corporate Citizen, your Company welcomes and supports the 'Green Initiative' taken by the Ministry of Corporate Affairs, Government of India. We strongly urge you to support this 'Green Initiative' by opting for electronic mode of communication and making the world a cleaner, greener and healthier place to live. The Members who have not registered their e- mail address are requested to register their e-mail id's with the Company, Registrar and Share Transfer Agent or Depository Participant as the case may be.
11. The Board of Directors has appointed Sri. Surendra Kuchipudi, Practicing Company Secretary (CP No.12732) and failing him Sri. Satyanarayana. A, Practicing Company Secretary (CP No.2354) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
12. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
13. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.
14. Members can avail the facility of nomination in respect of the Equity Shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with rules thereunder. Members desiring to avail this facility may send their nomination in Form SH-13 duly filled in to the Registrar & Share Transfer Agent ("RTA") of the Company i.e. Bigshare Services Private Limited.



Further, members desirous of cancelling / varying nomination pursuant to the provisions of the Act are requested to send their requests in Form SH -14 to RTA of the Company. These forms will be made available on request.

15. The Members who still hold share certificate(s) in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries. Further, effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per the Listing Regulations. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.

### 16. Unclaimed Dividend

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF").

The Company requests the Members to claim the unclaimed dividends within the prescribed period. The details of the unclaimed dividends are available on the website of the Company at [www.steelcitynettrade.com](http://www.steelcitynettrade.com) and MCA at [www.iepf.gov.in](http://www.iepf.gov.in). The Members can contact Bigshare Services Private Limited for claiming the unclaimed dividends standing to the credit in their account.

17. SEBI has mandated the registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, to send duly signed letter including Folio No., Bank Account Details(account number, 9 digit MICR code and 11 digit IFSC), e-mail IDs and mobile number along with self-attested copy of PAN Card and original cancelled cheque to RTA/ Company through e-mail at [investorrelations@steelcitynettrade.com](mailto:investorrelations@steelcitynettrade.com)

The original cancelled cheque should bear the name of the Member. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.

18. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, the Director have furnished the requisite declarations for their appointment/ re-appointment.



### INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM :

The remote e-voting period begins on Wednesday, the 25<sup>th</sup> day of September, 2024, at 9:00 A.M. and ends on Friday, the 27<sup>th</sup> day of September, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by Bigshare for voting thereafter.

- i. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- ii. 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.

- iii. 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 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 URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of <b>BIGSHARE</b> the e-Voting service provider and you will be re-directed to <b>i-Vote</b> website 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 i.e. <b>BIGSHARE</b>, 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 <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 evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-voting period.</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.nsd.com">https://eservices.nsd.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 <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li></ol>



Type of shareholders	Login Method
	<p>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 “Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>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 <b>BIGSHARE</b> and you will be redirected to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned 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 <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nSDL.co.in">evoting@nSDL.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30





2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:
  - § You are requested to launch the URL on internet browser:  
<https://ivote.bigshareonline.com>
  - § Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
  - § Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
    - o Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
    - o Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
    - o Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

**Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

§ Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

§ If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’

§ Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

### **Voting method for shareholders on i-Vote E-voting portal:**

- § After successful login, **Bigshare E-voting system** page will appear.
- § Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- § Select event for which you are desire to vote under the dropdown option.
- § Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- § Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click



“OK” to confirm, else “CANCEL” to modify. Once you confirm, you will not be allowed to modify your vote.

§ Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.

§ Shareholder can “CHANGE PASSWORD” or “VIEW/UPDATE PROFILE” under “PROFILE” option on investor portal.

### 3. Custodian registration process for i-Vote E-Voting Website:

§ You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>

§ Click on “REGISTER” under “CUSTODIAN LOGIN”, to register yourself on Bigshare i-Vote e-Voting Platform.

§ Enter all required details and submit.

§ After Successful registration, message will be displayed with “User id and password will be sent via email on your registered email id”.

**NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

§ If you have forgotten the password: Click on ‘LOGIN’ under ‘CUSTODIAN LOGIN’ tab and further Click on ‘Forgot your password?’

§ Enter “User ID” and “Registered email ID” Click on I AM NOT A ROBOT (CAPTCHA) option and click on ‘RESET’.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

### Voting method for Custodian on i-Vote E-voting portal:

§ After successful login, Bigshare E-voting system page will appear.

### Investor Mapping:

§ First you need to map the investor with your user ID under “DOCUMENTS” option on custodian portal.

o Click on “DOCUMENT TYPE” dropdown option and select document type power of attorney (POA).

o Click on upload document “CHOOSE FILE” and upload power of attorney (POA) or board resolution for respective investor and click on “UPLOAD”.

**Note:** The power of attorney (POA) or board resolution has to be named as the “InvestorID.pdf” (Mention Demat account number as Investor ID.)



- o Your investor is now mapped and you can check the file status on display.

### Investor vote File Upload:

- § To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- § Select the Event under dropdown option.
- § Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- § Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

### Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at: 1800 22 54 22.

### 4. Procedure for joining the AGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- § The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- § After successful login, **Bigshare E-voting system** page will appear.
- § Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- § Select event for which you are desire to attend the AGM under the dropdown option.
- § For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- § Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

### The instructions for Members for e-voting on the day of the AGM/EGM are as under:-

- § The Members can join the AGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.



- § Only those members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- § Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

### Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22.

### **DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY ICSI:**

DIN	07548398
Name of the Director	Guruvu Vishnu Vandana
Date of first appointment	30.06.2016
Date of Birth	10.10.1978
Qualification	MBA
Nature of expertise in specific	Having experience of more than 8 years in Capital Market operations
Directorship in the Boards of other Indian listed entities	NA
Membership/ Chairmanship in Committees of other Indian listed entities	NA



### DIRECTORS' REPORT

To,

The Members,  
STEEL CITY SECURITIES LIMITED  
"Steel City Heights", # 50-81-18,  
Main Road, Seethammapeta,  
Visakhapatnam – 530016  
Andhra Pradesh, India.

Your Directors have pleasure in presenting the Thirtieth Annual Report on the business and operations of the Company along with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2024 and the Report of the Auditors thereon.

#### 1. FINANCIAL PERFORMANCE AND REVIEW : (Standalone and Consolidated)

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Gross Income	6255.23	5759.78	6258.28	5880.96
Expenditure	4536.24	4242.99	4543.03	4267.27
Profit/ loss before Depreciation , Finance Costs, Exceptional Items & Taxation	1718.99	1516.79	1715.25	1613.69
Less: Depreciation	102.13	71.45	103.67	73.33
Profit/ loss after Depreciation and before Finance Costs, Exceptional Items & Taxation	1616.86	1445.34	1611.58	1540.36
Less: Finance Costs	60.42	58.35	60.42	61.34
Profit/ loss before Exceptional Items & Taxation	1556.44	1386.99	1551.16	1479.01
Add/ (Less): Exceptional Items	0.00	0.00	0.00	0.00
Profit/ loss before taxation	1556.44	1386.99	1551.16	1479.02
Less: Provision for Taxation				
For earlier years	10.47	6.97	10.00	29.95
For current year	386.68	347.00	394.08	353.02
Deferred Tax Liability	10.76	11.53	12.83	7.30
Net Profit after Taxation	1148.54	1021.49	1134.26	1088.74
Add: Share of Profit in Associate	-	-	52.02	32.16
Add: Other Comprehensive Income for the year	(7.80)	4.38	(7.80)	4.38
Profit after Tax after Share of Profit in Associate and Comprehensive Income	1140.73	1025.87	1178.47	1125.28
Less: Minority Interest	-	-	-	-



Profit for the Year	1140.73	1025.87	1178.47	1125.28
Basic (EPS)	7.55	6.79	7.80	7.45
Diluted (EPS)	7.55	6.79	7.80	7.45
Opening Balance of Retained Earnings	5667.66	5197.16	7093.35	6530.16
Closing Balance of Retained Earnings	6240.33	5667.66	7652.75	7093.35

### 2. AMOUNT TRANSFERRED TO RESERVES:

The Board of Directors proposes to transfer an amount of Rs. 114.85 Lakhs to General Reserve for the Financial Year 2023-24.

### 3. DIVIDEND:

The Board of Directors of the Company at their meeting held on the 8<sup>th</sup> day of July, 2023 has declared 1<sup>st</sup> Interim Dividend @ 10% for every Equity Share of Rs. 10/- each and has declared 2<sup>nd</sup> Interim Dividend @ 10% for every Equity Share of Rs.10/- each at their meeting held on 5<sup>th</sup> day of February, 2024 after considering the Provisional Financials of the Company. The Board further recommends a Final Dividend @ 10% for every Equity Share of Rs. 10/- each after taking into consideration the Financial strength of the Company. On the whole the Company has declared a dividend of Rs. 3.00/- i.e, @30% for every Equity Share of Rs.10/- each for the Financial Year 2023-24.

### 4. STATE OF AFFAIRS OF THE COMPANY DURING THE YEAR:

#### i. Standalone:

During the year under review, the Company has recorded an Income of **Rs. 6255.23 Lakhs** as compared to the previous year amount of **Rs. 5759.78 Lakhs**. The Expenditure incurred before depreciation during the year was **Rs. 4536.24 Lakhs** as against the amount of **Rs. 4242.99 Lakhs** during the previous year. The depreciation and provision for taxes provided during the year were respectively **Rs. 102.13 Lakhs** and **Rs. 407.90 Lakhs** as compared to the depreciation and provision for taxes provided for the previous year were **Rs. 71.45 Lakhs** and **Rs. 365.51 Lakhs** respectively. Hence, the Company has earned a Net Profit of **Rs. 1140.73 Lakhs** as compared to the previous year amount of **Rs. 1025.87 Lakhs**. The Board has taken all necessary steps to expand its business activities by establishing new Branches/Centers in other States and also by adding new services and products. The income from the segment of e-Governance also will certainly increase the business of the Company and has opened around 5000+ Franchises during the Financial Year 2023-24. The Company expects bright future in the years to come.

#### Consolidated:

During the year under review, the Company has recorded an Income of **Rs. 6258.28 Lakhs** as compared to the previous year amount of **Rs. 5880.96 Lakhs**. The Expenditure incurred before depreciation during the year was **Rs. 4543.03 Lakhs** as against the amount of **Rs. 4267.27 Lakhs** during the previous year. The depreciation and provision for taxes provided during the year were respectively **Rs. 103.67 Lakhs** and **Rs. 416.90**



**Lakhs** as compared to the depreciation and provision for taxes provided for the previous year were **Rs. 73.33 Lakhs** and **Rs. 390.27 Lakhs** respectively. Hence, the Company has earned a Net Profit of **Rs. 1178.47 Lakhs** as compared to the previous year amount of **Rs. 1125.28 Lakhs**.

**ii. CHANGE IN THE NATURE OF BUSINESS:**

There is no change in the nature of Business of the Company during the Financial Year 2023-24.

**iii. CHANGE IN ACCOUNTING POLICIES:**

The financial statements for the F. Y. 2023-24 have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS.

**iv. MATERIAL CHANGES AND COMMITMENTS OCCURRED SINCE THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT:**

After the completion of the Financial Year 2023-24, the Company has received two adjudication orders from SEBI w.r.t. the Show Cause Notices dated 26.12.2022 and 28.12.2022 levying minimum penalty of Rs.3,50,000/- and Rs.25,000/- Respectively against the Company. However, there is no material impact on the operations of the Company with respect to the above said Adjudication orders received by the Company.

**v. MILESTONES ACHIEVED:**

The Company through its Wholly Owned Subsidiary (i.e.), M/s. Steel City Commodities Private Limited has purchased an own site admeasuring 555 Sq yards and proposes to build another five storied building with a build up area of about 18,000 Sft at Rajendra Nagar, Visakhapatnam.

**vi. DEPOSITORY SYSTEM:**

The Equity Shares of the Company are compulsorily tradable in electronic form. As on March 31, 2024, out of the Company's total paid-up Equity Share Capital comprising of 1,51,07,095 Equity Shares, only 72,800 Equity Shares are in physical form and the remaining shares are in electronic form (demat form). In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail the facility of dematerialization.

**vii. GROWTH PROSPECTS FOR INDIAN CAPITAL MARKET IN 2024:**

Capital markets play a crucial role in fuelling economic growth and development in the country. The Indian capital market is poised for continued growth, driven by a young and aspirational population, rising incomes, and increasing financial literacy. In the



economy, this vibrant and dynamic marketplace not only generates wealth but also provides an avenue for individuals and companies to raise funds for productive purposes, fostering entrepreneurship and investment.

The capital market also provides options for risk diversification for investors, leading to enhanced overall financial inclusion and economic stability. To enhance investor confidence and attract more participants, the Indian government has introduced measures such as simplified regulations, improved corporate governance practices, and greater transparency in reporting standards. Initiatives taken by the government are crucial to enhance the overall efficiency, security, and effectiveness in the operations. These reforms are not just incremental changes; they are transformative leaps that will unlock India's true potential. While the strength and accessibility of Indian markets have been ensured by regulatory framework and technological advancements, it is crucial to further strengthen the regulatory environment, expand market participation, and promote financial literacy to foster a thriving and inclusive capital market in India.

Viksit Bharat @2047 aims to transform India into a developed economy focussed on strengthening the capital markets, technology, infrastructure, etc. that promote the achievement of this goal. Widening the reach of the capital markets will help in smoothening the business functions as it enables them to have a wider and more accessible market to pool funds, increasing market liquidity and thus promoting ease of business. The vision of a developed India also intends to deepen financial inclusion in the economy, by making necessary amendments in the key sectors and hence catering towards enhanced knowledge about the capital markets and their uses so that even small and medium enterprises can invest in such markets. With promising economic indicators and sustainable development, we firmly believe that India will emerge as a developed economy with thriving capital markets by the time we celebrate our 100 years of independence.

### **5. CAPITAL AND DEBT STRUCTURE:**

#### **a. AUTHORISED SHARE CAPITAL:**

The present Authorised Share Capital of the Company is Rs. 2,500 Lakhs.

#### **b. ISSUED AND PAID - UP SHARE CAPITAL OF EQUITY SHARES:**

The present Issued and Paid-up Share Capital of the Company is Rs. 15,10.71 Lakhs.

#### **c. ISSUE OF EQUITY SHARES:**

During the year the Company has not issued any Equity Shares.

#### **d. BUY BACK OF SECURITIES:**

The Company has not bought back any of its Securities during the year under review.

#### **e. SWEAT EQUITY:**

The Company has not issued any Sweat Equity Shares during the year under review.





**f. BONUS SHARES:**

No Bonus Shares were issued during the year under review.

**g. EMPLOYEES STOCK OPTION PLAN:**

The Company has not provided any Stock Option Scheme to the Employees.

**h. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:**

The Company has not issued any Equity Shares with differential Rights during the year.

**i. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES:**

The Company has not provided any money for purchase of own Shares, by Employees or by Trustees for the benefits of Employees.

**6. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the Financial Year 2022-23, the Company is supposed to transfer an amount of Rs.1,68,240/- due and outstanding to be credited to investor education and protection funds. But, due to technical glitches in the MCA website the remittance could not be made with in the due date i.e. 23/03/2023. However, the Company has filed form No.IEPF-1 with in the due date. The delay in remittance is due to the conditions beyond the control of the Company. The same remains due till date. During the year under review there were no such amounts that are requested to be transferred to Investor Education and Protection Fund.

**7. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to the provisions of Section 124(6) Companies Act, 2013, the Company is required to transfer Shares of the Company relating to those Shareholders who haven't claimed Dividend for a period of 7(Seven) Consecutive years. Hence, as per the above provisions, the Company is not liable to transfer any shares to Investor Education and Protection Fund during the Financial year 2023-24.

**8. MANAGEMENT:**

**(a) Change in the Composition of the Board of Directors:**

During the year under review, there is no change in the Composition of the Board of Directors of the Company.

**(b) Independent Directors:**

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Sri Godithi Satya Rama Prasad; Sri. Bheri Krishna Rao; Sri. Geddam Vijaya Kumar; Sri. Emmidisetty Sridhar continue as Independent Directors of the Company.

All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has



been no change in the circumstances which may affect their status as Independent Director during the year.

**(c) Retirement by Rotation:**

In terms of Section 152 of the Companies Act, 2013 Smt. G.V. Vandana, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered herself for re-appointment.

The Board confirms that none of the Directors of the Company are disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

**(d) Key Managerial Personnel (KMP):**

Pursuant to the provisions of Section 203 of the Act, which came into effect from April 1, 2014, the Board of Directors have approved the appointments of Sri Kamireddi Satyanarayana, Executive Chairman; Sri Satish Kumar Arya, Managing Director & CEO; Sri. T. V. Srikanth, Director IT; Sri Ramu Naraharasetti, Chief Financial Officer (CFO) and Smt. M. Srividya, Company Secretary continue to hold the office as KMP of the Company.

**9. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:**

The Company has formulated a policy on Director's appointment and Remuneration which is available on the website of the Company [www.steelcitynettrade.com](http://www.steelcitynettrade.com).

**10. REMUNERATION OF MD/ WTD FROM SUBSIDIARY COMPANY:**

None of the Whole Time Director's or Managing Director of the Company does not draw any remuneration from the Subsidiary Company.

**11. DIRECTORS' RESPONSIBILITY STATEMENT:**

Based on the framework of Internal Financial Controls and Compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the Financial Year 2023-24.

Pursuant to Section 134 (5) of the Companies Act, 2013, Board of Directors of the Company, confirm that:

- a) In preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March 2024, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- b) The Directors have selected Accounting Policies, consulted the Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of



the Company as at end of the financial year and of the profit or loss of the Company, for that period.

- c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the Annual Accounts of the company on a going concern basis;
- e) The Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **12. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:**

Our Company has One (1) Wholly Owned Subsidiary i.e., M/s. Steel City Commodities Private Limited and an Associate Company i.e, M/s. Steel City Financial Services Private Limited. The financial performance of both the Companies is enumerated below:

#### **Steel City Commodities Private Limited**

Steel City Commodities Private Limited became Subsidiary of the Company in 2004 and Wholly Owned Subsidiary of the company during the Financial Year 2018-19, is in the business of Corporate Insurance Agent and also into the business of Credit cards. During the Financial Year 2023-24, the Subsidiary has earned a Net Profit of Rs. 82.17 Lakhs as against the Net Profit of Rs. 67.26 Lakhs for the Financial Year 2022-23.

#### **Steel City Financial Services Private Limited**

Steel City Financial Services Private Limited is an Associate Company of Steel City Securities Limited carrying on the business of Non-Banking Financial Services by providing Project finance loans, Housing Loans, Personal Loans, Loans against Shares etc., to its clients. During the Financial Year 2023-24, the Associate Company has earned a Net Profit of Rs. 136.51 Lakhs as against the Net Profit of Rs. 88.89 Lakhs for the Financial Year 2022-23.

### **13. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013.**

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.



During the year ended 31<sup>st</sup> March, 2024, the Company has not received any complaint pertaining to sexual harassment / discriminatory Employment.

#### **14. ISO CERTIFICATION:**

The Company holds ISO/ IEC 270001: 2013 Certification with the scope of the Information Security Management System from Pyramid Certifications LLP. The Company has been complying with the concerned procedure in this regard.

#### **15. NUMBER OF MEETINGS OF THE BOARD:**

During the F.Y. 2023-24, the Board of Directors met for 10 (Ten) times to discuss about the business and other important matters relating to the Company and the details of the meetings of the Board are mentioned in the Corporate Governance Report, which forms part of this report.

#### **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts / arrangements / transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis and are approved by the Audit Committee.

These have been discussed in detail in the Notes to the Standalone Financial Statements in this Annual Report and also a report on related party transactions entered into by the Company is annexed as Annexure – 2 to the Board's Report.

#### **17. DEPOSITS:**

The Company has not accepted any fixed deposits attracting the provisions of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

#### **18. AUDITORS:**

##### **(a) Statutory Auditors:**

At the Annual General Meeting held on the 27<sup>th</sup> day of September, 2023, M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam (FRN: 003089S) were appointed as Statutory Auditors of the Company who shall hold office for a period of 4 years from the Financial Year 2023-24. Since the appointment of the Statutory Auditor of the Company is to be ratified at every Annual General Meeting and hence, the Board proposes the ratification of the appointment of the Statutory Auditors at the ensuing Annual General Meeting.

##### **(b) Internal Auditors:**

M/s. Rao & Manoj Associates, Chartered Accountants, Visakhapatnam were appointed as the Internal Auditors of the Company for the Financial Year 2023-24, who are acting independently and also responsible for regulatory and legal requirements relating to operational processes and internal systems. As the Board is satisfied with the performance of these Auditors, the Board Proposes to appoint them as Internal Auditors



for the Financial Year 2024-25 also. These Auditors Report directly to the Chairman of the Board of Directors.

Sri. Y.S.N. Murthy, Chartered Accountant, Visakhapatnam was appointed as Internal Auditor of the Company for the Financial Year 2023-24, who is acting independently and also responsible for regulatory and legal requirements relating to D.P Operations and the Internal Audit relating to the POP operations of the Company under the Pension Fund Regulatory Authority of India of the company. As the Board is satisfied with the performance of the Auditor, the Board Proposes to appoint him as Internal Auditor for the Financial Year 2024-25 also. These Auditors Report directly to the Chairman of the Board of Directors.

M/s. Ramamoorthy(N) & Co, Chartered Accountants, Visakhapatnam were appointed as Internal Auditors as per the Circular issued by Securities Exchange Board of India for the Financial Year 2023-24. They continue to act as Internal Auditors of the Company for the Financial Year 2024-25 also.

M/s. RK Sangu & Associates, Chartered Accountants, Visakhapatnam were appointed as GST Auditors of the Company for the Financial Year 2023-24 to conduct GST Audit of the Company. As the Board is satisfied with the performance of these Auditors the Board proposes to appoint them as GST Auditors for the Financial Year 2024-25 also.

Mr. Sanjay Ravindra Kumar Desai, Practising Company Secretary was appointed as Internal Auditor of the Company to audit the TIN –FC Operations of the Company for the Financial Year 2023-24. Since the Board is satisfied with the performance of this auditor, the Board proposes to appoint him as Internal Auditor for the Financial Year 2024-25 also.

**(c) Systems Auditors:**

M/s. Paras B Shah & Associates, Chartered Accountants, were appointed as the Systems Auditors of the company and also as per the NSE, BSE, MSEI, MCX and NCDEX Exchanges notified Rules & Regulation from time to time for the Year 2023-24. They continue to act as Systems Auditors of the Company for the Financial Year 2024-25 also.

**(d) Secretarial Auditors:**

M/s. ASN Associates, Practicing Company Secretaries, Visakhapatnam were appointed as Secretarial Auditors of the Company as per provisions of Section 204 of the Companies Act, 2013 and Rules made there under for the Financial Year 2023-24. The Secretarial Audit Report for the Financial Year 2023-24 forms part of the Annual Report as **Annexure- 8** to the Board's Report. As the Board is satisfied with the performance of these Auditors the Board Proposes to appoint them as Secretarial Auditors for the Financial Year 2024-25 also.

**19. STATUTORY AUDITORS' REPORT:**

The standalone and consolidated financial statements of the Company have been prepared in accordance with Ind AS notified under Section 133 of the Act.



The Statutory Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee of Directors as specified under Section 143 (12) of the Act, during the year under review.

### **20. CREDIT & GUARANTEE FACILITIES:**

The Company has been availing secured loans, overdraft facilities and bank guarantee facilities from HDFC Bank Limited, Karur Vysya Bank Limited and ICICI Bank Limited from time to time to meet the business requirements.

### **21. PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The nature of activities which are being carried on by your Company does not require consumption of Energy. However, Your Company continues to explore all possible avenues to reduce energy consumption wherever applicable.

The particulars as prescribed under Sub – Section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure - 5** to the Board's Report.

### **22. COMPLIANCE WITH SECRETARIAL STANDARDS:**

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

### **23. MANAGEMENT DISCUSSION ANALYSIS:**

A detailed report on the Management Discussion & Analysis is given as **Annexure – 9** to the Board's Report.

The Board has been continuing its efforts and has taken the required steps in the following areas:

1. Industry Structure and Development
2. Growth Strategy.
3. Segment-Wise Performance
4. Internal Control Systems and their adequacy
5. Strengths, Weaknesses, Opportunities and Threats
6. Financial Performance with respect to Operational Performance
7. Material Developments in Human Resources / Industrial Relations
8. Strict Compliances
9. Talent Management, Leadership Development, and Talent Retention.
10. Learning and Development



### 24. CORPORATE GOVERNANCE:

Your Company has been complying with the principles of good Corporate Governance over the years. In compliance with Regulation 34 of the SEBI (LODR) Regulations 2015, a separate report on Corporate Governance forms an integral part of this report as **Annexure – 3** to the Board's Report. The Auditor Certificate on Corporate Governance is also annexed along with the report on Corporate Governance is annexed as **Annexure -4** to the Board's Report.

#### Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

### 25. FAMILIRISATION PROGRAMMES:

In terms of the provisions of Regulation 25 of the Listing Regulations, the Company has framed a policy on 'Familiarisation Programme for Independent Directors'. Accordingly, upon appointment of an Independent Director, the appointee is given a formal Letter of Appointment, which inter alia explains the role, function, duties and responsibilities expected as a Director of the Company.

Further, Independent Directors are familiarised with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, various businesses in the group etc. The Directors are also explained in detail the compliance required from them under the Act and Listing Regulations. Further, on an ongoing basis as a part of Agenda of the Board/ Committee Meetings, presentations are regularly made to Independent Directors on various matters inter alia covering the business strategies, management structure, management development, quarterly and annual results, budgets, review of internal audit, risk management framework, operations of the Subsidiaries.

### 26. SUCCESSION PLAN:

The Board has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

### 27. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. During the year, the Company has spent an amount of **Rs. 29.53 lakhs** which is a mandatory requirement to be spent by the company on CSR activities as per the provisions of Section 135 of the Companies Act, 2013.

Your Company's CSR Policy Statement and Annual Report on the CSR Activities undertaken during the Financial Year ended 31<sup>st</sup> March, 2024, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as **Annexure – 6** to the Board's report.



### **28. ANNUAL RETURN:**

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended, the Annual Return is available on the Website of the Company on the following link: [www.steelcitynettrade.com](http://www.steelcitynettrade.com)

### **29. INTERNAL FINANCIAL CONTROLS:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

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

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future. During the year under review, the Company has received a Show Cause Notice No: EAD-6/AK/BS/14344/1-2/2023 dated 10.04.2023 from SEBI. However, an Adjudication Order w.r.t the Show Cause Notice dated 10.04.2023 was issued by SEBI whereby all the allegations levelled against the Company in the said Show Cause Notice were disposed of.

### **31. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES AS PER SECTION 197(12) UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

The remuneration paid to the Directors is in accordance with the recommendations of Nomination and Remuneration Committee formulated in accordance with Section 178 of the Companies Act, 2013 and any other re-enactment(s) for the time being in force.

Particulars of employees as required in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure – 7** to the Board's Report.

### **32. DECLARATION BY INDEPENDENT DIRECTORS:**

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every Financial Year, gives a declaration that he meets the criteria of independence as provided under the Companies Act, 2013. The same Declaration has been received from all the Independent Directors of the Company for the Financial Year 2023-24.

### **33. VIGIL MECHANISM:**

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.





Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(9) of the Companies Act, 2013 and reviews the said policy from time to time, to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics. The Vigil Mechanism provides a mechanism for employees of the Company to raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company and to report the same to the Chairman of the Audit Committee. Any incidents that are reported are investigated and suitable action taken in line with the Whistle Blower Policy. No person has been denied access to the Chairman of the Audit Committee of the Board of Directors. The Whistle Blower Policy is also available on your Company's website ([www.steelcitynettrade.com](http://www.steelcitynettrade.com)).

### **34. RISK MANAGEMENT:**

All the risks are discussed at the Senior Management Level at their meetings periodically to ensure that the risk mitigation plans are well thought out and implemented and adverse impact of risks is avoided or kept within manageable proportions. Further, the Board has been identifying the elements of the Risks which may threaten the existence of the Company from time to time.

### **35. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:**

The particulars of loans, guarantees and investments have been disclosed in the financial statements. However, the Inter Corporate Loan of Rs. 1.5 Crores to its wholly Owned Subsidiary M/s. Steel City Commodities Private Limited during the previous Financial Year remains due.

### **36. BOARD EVALUATION:**

The annual evaluation process of the Board of Directors, individual Directors and Committees was conducted in accordance with the provisions of the Act and the Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The above criteria are broadly based on the Guidance note on Board Evaluation issued by the Securities Exchange Board of India on January 5, 2017.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.



In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman as well as the Whole-Time Directors was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The evaluation process endorsed the Board's confidence in the ethics standards of the Company, cohesiveness amongst the Board members, flexibility of the Board and management in navigating the various challenges faced from time to time and openness of the management in sharing strategic information with the Board.

### **37. INSURANCE:**

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

### **38. EMPLOYEE RELATIONS:**

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

### **39. STATUTORY COMPLIANCES:**

The Company has complied and continues to comply with all the applicable Regulations, Circulars and Guidelines issued by the MCA, Exchanges, SEBI, other Regulating Agencies, filings, etc.

### **40. GENERAL:**

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

- a. Neither the Managing Director nor any of the Whole-Time Director's of the Company receives any remuneration or commission from any of its subsidiary.
- b. Issue of Equity Shares with differential rights as to Dividend, voting.
- c. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.
- d. There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the FY 2023-24.
- e. There was no instance of one-time settlement with any Bank or Financial Institution.



### 41. CREDIT RATING:

During the year under review, the company has obtained SME rating from CRISIL and was awarded SME 2 rating which indicates high level of creditworthiness.

### 42. ACKNOWLEDGEMENTS:

Steel City Securities Limited is grateful to the Government of India, Securities and Exchange Board of India, Registrar of Companies, Vijayawada, National Stock Exchange of India Limited, BSE Limited National Securities Clearing corporation limited, Metropolitan stock exchange of India Limited, Multi Commodity Exchange (MCX), National Commodities & derivatives exchange, National Securities Depository Limited, central depository services (India) limited, protean e-governance technologies limited, Pension fund Regulatory & Development Authority (PFRDA), Bankers, Rating Agencies (CRISIL), Government Authorities, Local Bodies and other agencies for their continued co-operation, support and guidance.

Steel City Securities Limited would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative has made the organizations growth and success possible and continues to drive its progress. The Directors also express their gratitude to the Bankers and Auditors of the Company. Finally, the Directors wish to express their gratitude to the members for their trust and support.

**By Order of the Board**

**For STEEL CITY SECURITIES LIMITED**

Place: Visakhapatnam

Date: 16.05.2024

**(K. Satyanarayana)**  
Executive Chairman  
(DIN: 00045387)

**(Satish Kumar Arya)**  
Managing Director  
(DIN: 00046156)



### Annexure I Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

#### Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures

##### Part "A": Wholly Owned Subsidiary

(Information in respect of each subsidiary to be presented with Amount in Rs.)

Sl.No.	Particulars	Steel City Commodities Private Limited
1.	CIN of the Subsidiary	<b>U51399AP2002PTC039727</b>
2.	The date since when subsidiary was acquired	Since 01.04.2004
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2023 to 31.03.2024
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupee (INR)
5.	Share capital	Authorised : Rs 100 Lakhs Paid Up: Rs 100 Lakhs
6.	Reserves & surplus	Rs. 1,514.55 Lakhs
7.	Total assets	Rs. 1,872.19 Lakhs
8.	Total Liabilities	Rs. 257.64 Lakhs
9.	Investments	Rs. 203.26 Lakhs
10.	Turnover	Rs. 99.50 Lakhs
11.	Profit before taxation	Rs. 91.17 Lakhs
12.	Provision for taxation	Rs. 9.00 Lakhs
13.	Profit/Loss after taxation	Rs. 82.17 Lakhs
14.	Proposed Dividend	NIL
15.	Extent of shareholding (%)	100%

#### Notes:

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL



### Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Steel City Financial Services Private Limited (Associate Company)
1. Latest audited Balance Sheet Date	31.03.2024
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end	19,20,000 Shares
Amount of Investment in Associates/Joint Venture	Rs 340.20 Lakhs
Extent of Holding (%)	43.74%
4. Description of how there is significant influence	Holding 43.74% of the Total share capital
5. Reason why the associate/joint venture is not consolidated	NA
6. Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 449.44 Lakhs
7. Profit/Loss for the year	Rs. 136.51 Lakhs
i. Considered in Consolidation	Rs. 52.02 Lakhs
ii. Not Considered in Consolidation	NA

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

In terms of our report attached

**For Rao & Kumar**

Chartered Accountants

FRN: 003089S

**CA CM RAVI PRASAD**

Partner

Mem No: 211322

Place: Visakhapatnam

Date: 16.05.2024

**For Steel City Securities Limited**

**K. Satyanarayana**  
Executive Chairman

**Satish Kumar Arya**  
Managing Director

**N.Ramu**  
Chief Financial Officer

**M. Srividya**  
Company Secretary



**Annexure - 2**  
**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto is given below:

1. Details of contracts or arrangements not at Arm's length basis: Nil
2. Details of Contracts or arrangements at Arm's Length basis are as under \* :

S/no	Name of the Party with which the Contract is entered into	Nature of Contract / Transaction	Duration of Contract	Salient terms of the Contracts or arrangements or transaction including the value, if any	Date of approval at the meeting of the Board	Amount paid as advances, if any
1.	Steel City Commodities Private Limited (Wholly Owned Subsidiary)	Term Loan (The value of transactions are disclosed in notes to accounts)	08.02.2023 to 07.02.2026	All the transactions are in the ordinary course of business and at arm's length.	The Company has taken omnibus approval of the Audit Committee	Nil

\* All the related party transactions are benchmarked for arm's length for approved by the Audit Committee and reviewed by Statutory Auditors. The above disclosures on material transactions are based on threshold of 10 percent of consolidated turnover for the purpose of Section 188(1) of the Act.

In terms of our report attached  
**For Rao & Kumar**  
Chartered Accountants  
FRN: 003089S

**For Steel City Securities Limited**

**K. Satyanarayana**      **Satish Kumar Arya**  
Executive Chairman      Managing Director

**CA CM RAVI PRASAD**  
Partner  
Mem No: 211322  
Place: Visakhapatnam  
Date: 16.05.2024

**N.Ramu**      **M. Srividya**  
Chief Financial Officer      Company Secretary



### ANNEXURE - 3

#### REPORT ON CORPORATE GOVERNANCE

##### Introduction

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At Steel City Securities Limited, good corporate governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. The Company has set itself the objective of achieving excellence in its business. The Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. The Company continuously monitors its governance practices and benchmarks itself to the best governed companies across the industry. The Company believes in pursuing holistic growth and realizes its responsibility towards its stakeholders and environment. Our actions are governed by our values and principles, which are reinforced at all levels of the organisation. These principles have been and will continue to be our guiding force in future. For your Company, good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. Steel City Securities Limited is a leading retail Stock Broking Company having its presence all over India. We are the pioneers and prime leaders in introducing the Franchisee model to extend our business potential in urban and rural areas of Andhra Pradesh & have business operations all over India. The workforce has been given top priority to meet and enhance our endless support and services to its clients and stakeholders. In 2004, Steel City Commodities Private Limited has become the Subsidiary of M/s. Steel City Securities Limited and consequently became the Wholly Owned Subsidiary of the Company in the year 2008. The Company serves its clients and stakeholders with full dedication and trust.

##### Strength

Steel City is having memberships in National Level Exchanges of NSE, BSE, MSEI, NCDEX and MCX for Stock, Derivative, Commodity and Currency segments. Our offices are established at Remote Locations and are in very economical model with dedicated services on 24/7 basis. All our offices are situated at prime business locations to attract our dedicated services and support. At every office location, organization has deployed sufficient and skilled manpower to render services to all classes of investors. Some of the office premises are owned by us to establish and spread our brand more strongly. The operational equipment at each office is well maintained to ensure the business continuity. The promotional activities carried on by our Company are intact and are on a continuous stream of education to create awareness for all types of business class, particularly younger generations. Focusing towards increase in customer base services offered includes Equity Trading, Derivatives, Commodities, Currency, Mutual Funds, Life Insurance, General Insurance, Health Insurance, IPO, Depository Services, e-Governance, Loans and Investment Advisory. Our business process and practices are



best in the Broking Industry. We have policy based processes which are very accurate and protective to maintain the transparency. The brand “Steel City” means “Confidence as Strong as Steel”.

### Services

We are providing a trading platform of Capital Market, Futures & Options, Commodities and Currency Derivatives of NSE, BSE, MSEI, MCX, and NCDEX, TIN-FC of NSDL e-Governance includes e-TDS return statements, TAN, PAN, PAN Change request, TAN Change request, e-TCS Returns/Statements, E- sign Services, GST returns and Annual Information Return (AIR) and Form 24G. We also provide Margin Trading Facility for Stocks or derivatives traded on NSE and BSE. We provide Insurance Services by acting as Corporate agent of SBI Life Insurance, United India Insurance Company Limited and Religare Health Insurance Private Limited. We are committed to provide best services to our clients and are proud to disclose that there are no Investor Grievances received by the Company from its Clients. To provide best services to our Clients, Sub-Brokers and Authorised Persons, we have also made available a mobile trading app on the website of our Company ([www.steelcitynettrade.com](http://www.steelcitynettrade.com)) to enable Customers to trade anywhere, anytime using their mobile. We have also introduced the online payment system for all online and offline Trading Clients. We have distribution of Mutual funds and IPO with smart advisory Team Members to reach every Potential Investor and to encourage their Investments and growth plans. We promote Pension Schemes as POP registered with PFRDA for the Retirement Benefits of both Employees and Business People.

### Business Network

We have a footprint of more than 65 branches, more than 150 Authorized Persons, and more than 42000 Franchisees across India, with 900+ Terminal Licenses connected to the Central Location. We are proud to inform that we now have over 3 lakh retail clients. We are expanding our business into remote areas, raising awareness among business people of all stripes about the importance of planning investments in the expanding financial markets of equity, derivatives, commodities, and currency. We also plan to open our own offices for each of our company's branches, as we are expanding our operations into nearly every state in the nation. There are several ways to trade with us: online, via mobile, and offline. a comprehensive online trading platform that offers online trading in stocks, derivatives, currencies, commodities, mutual funds, and initial public offerings (IPOs). It is equipped with a number of tools that enable you keep a close eye on your financial progress. Our team is well-versed in product marketing and can attract more customers within our targeted company sectors.

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

“Steel City” believes that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence. All the activities of the Company are carried out in accordance with Good Corporate Practices and the Company is constantly striving to better them by adopting the best practices.





The company believes in sustainable corporate growth that emanates from the top leadership down through the organisation to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.

We believe that our company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.

Corporate Governance is about commitment to values, ethical business conduct and about considering all Stakeholders' interest in conducting the Business. Your Company continues to lay great emphasis on the broad principles of Corporate Governance:

The Company has set itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company's Philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company believes that good Corporate Governance Practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its Stakeholders.

The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading Stock Broking Company in South India, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Steel City Group Companies.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration, subsidiary oversight and Board effectiveness review.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time and as applicable, with regard to Corporate Governance including relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) from time to time.

## **2. BOARD OF DIRECTORS:**

The Board is the focal point and custodian of Corporate Governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and



sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and, when possible, will be balanced appropriately.

**(a) Size and Composition of the Board of Directors of the Company:**

As on March 31, 2024, the Company had 8 Directors. Out of 8, 4 (i.e. 50%) are Independent, Non-Executive; 3 (i.e. 38%) are Non-Independent, Executive Directors and 1 (i.e. 12%) is Non- Independent, Non - Executive.

None of the Directors held directorship in more than 7 listed companies. Further, none of the IDs of the Company served as an ID in more than 7 listed companies. None of the IDs serving as a whole-time director/managing director in any listed entity, serves as an ID of more than 3 listed entities. None of the Directors held directorship in more than 20 Indian companies, with not more than 10 public limited companies.

None of the Directors is a member of more than 10 committees or acted as chairperson of more than 5 committees (being AC and SRC, as per Regulation 26(1) of the Listing Regulations) across all the public limited companies in which he/she is a director. The necessary disclosures regarding committee positions have been made by the Directors.

All IDs of the Company have been appointed as per the provisions of the Companies Act, 2013 (the Act) and Listing Regulations. The Chairman of the Company is an Executive Director and not related to the CEO & Managing Director.

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the Listing Regulations. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' values are met.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1) (b) of the Listing Regulations and Section 149(6) of the Act. These confirmations have been placed before the Board. There were no material, financial and / or commercial transactions entered into between the Senior Management and the Company which could have potential conflict of interest with the Company at large.

**Composition of Board of Directors of the Company:**

Category	No. of Directors
Independent Directors	4
Other Non – Executive Directors	1
Executive Director	1
Executive Chairman & Managing Director & CEO	2
<b>Total</b>	<b>8</b>



### Skills / expertise / competence of the Board of Directors:

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Board provides leadership, strategic guidance, objective and an independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. The Board periodically evaluates the need for change in its composition and size.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which are available with the Board:

S/No	Name of the Director	Skills/ Expertise/ Competence
1.	K. Satyanarayana	Experience of more than three decades in Financial Services Industry
2.	Satish Kumar Arya	Experience of more than three decades years in Financial Services Industry
3.	T. V. Srikanth	Experience of more than one and a half decade in Technology, 5+ years in Broking Industry
4.	G. V. Vandana	Experience of 6+ years in Broking Industry
5.	G. Satya Rama Prasad	Experience of more than two and half decades in Broking Industry
6.	B. Krishna Rao	Experience of more than two and half decades in Broking Industry
7.	G. Vijaya Kumar	Experience of more than two and half decades in Broking Industry
8.	E. Sridhar	Experience of more than two and half decades in Broking Industry

### Changes in Board Composition:

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

#### ii) MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. The Board Meetings (including Committee Meetings) of the Company are scheduled after getting confirmation on dates from Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

The detailed Agenda together with the relevant attachments is circulated to the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Where it is not practicable



to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Independent Directors. Senior Management Personnel are invited to the Board / Committee meeting(s) to provide additional inputs for the items being discussed by the Board / Committees thereof as and when necessary.

**During the year under review, Ten (10) meetings of the Board were held on the following dates:**

S/no	Date of the Board Meeting	Board Strength	No. of Directors present
1	20.05.2023	8	8
2	26.06.2023	8	8
3	08.07.2023	8	8
4	05.08.2023	8	8
5	18.08.2023	8	8
6	20.09.2023	8	8
7	31.10.2023	8	8
8	10.11.2023	8	8
9	05.02.2024	8	7
10	28.03.2024	8	7

**a. Board Meetings held and Director's attendance record:**

During FY 2023-24, 10 (Ten) Board Meetings were held. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:



SL No	Name of the Director	Category of Director	No. of Shares held as on 31 <sup>st</sup> March, 2024	No. of Board Meetings Attended during Financial Year 2023-24	No. of Directorships in Public Companies as on 31 <sup>st</sup> March, 2024*	No. of Board Committee Memberships held in Public Companies as on 31 <sup>st</sup> March, 2024**		Whether present at previous AGM held on 30 <sup>th</sup> July, 2023
						Chairman	Member	
1.	Sri Kamireddi Satyanarayana	Promoter, Executive Chairman	1254446	10	1	1	0	Yes
2.	Sri Satish Kumar Arya	Promoter, Managing Director & CEO	1641209	10	1	0	3	Yes
3.	Sri. T. V. Srikanth	Executive Director; Director (IT)	0	9	1	0	1	Yes
4.	Smt. G.V. Vandana	Promoter, Non-Executive Director	2575500	10	1	1	1	Yes
5.	Sri G.Satya Rama Prasad	Non-Executive Independent Director	400	10	1	1	3	Yes
6.	Sri G. Vijaya Kumar	Non-Executive Independent Director	0	10	1	0	1	Yes
7.	Sri Bheri Krishna Rao	Non-Executive Independent Director	160002	10	1	1	2	Yes
8.	Sri E. Sridhar	Non-Executive Independent Director	0	9	1	0	1	Yes

\* Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and includes Directorship in Steel City Securities Limited.

\*\* In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of Committees of all Public Limited Companies, whether listed or not, has been considered including that of Steel City Securities Limited.

### 3. Details of other Directorship positions held by Directors in Listed Entities as on 31<sup>st</sup> March, 2023:

SI No	Name of the Director	Names of listed entities in which Directorship held	Category of Directorship
1	Sri. K. Satyanarayana	None	None
2	Sri. Satish Kumar Arya	None	None
3	Sri. T. V. Srikanth	None	None
4	Smt. G. V. Vandana	None	None
5	Sri. G. Satya Rama Prasad	None	None
6	Sri. G. Vijaya Kumar	None	None
7	Sri. B. Krishna Rao	None	None
8	Sri. E. Sridhar	None	None



#### 4. Meeting of the Independent Directors:

Section 149(8) of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of non-independent directors and senior management. The Independent Directors of the Company met for 2 times during the Financial Year 2023-24 i.e., on 26.06.2023 and 21.02.2024 respectively, pursuant to the provisions of the Act and the Listing Regulations. The Chairman of said Meeting of Independent Directors was Sri. B. Krishna Rao. All the Independent Directors attended the meeting.

#### 5. Familiarisation programmes for Independent Directors:

The Company has an orientation process/familiarization program for its Directors (including Independent Directors), which includes sessions on various business and functional matters and strategy sessions. The Company ensures induction and training programs are conducted for newly appointed Directors.

The Company has familiarised the Independent Directors of the Company with Programmes which aims to provide them in depth insight and understanding of the businesses and operations of the Company and its Subsidiaries, which enables and assists them in performing their role as Independent Directors of the Company. The Details of the familiarisation programmes imparted to the Independent Directors has been disclosed on the website of the Company at: <https://www.steelcitynettrade.com>

#### 6. Shareholding of Promoters and their Relatives (Promoter Group):

The following are the details of the Shares held by Promoters and their Relatives (Promoter Group) in the Company as on 31<sup>st</sup> March, 2024:

SI No	Name of the Pomoter / Relative of Promoter	No. of Shares held	% of Shares held
1.	K. Satyanarayana	12,54,446	8.30
2.	Satish Kumar Arya	16,41,209	10.86
3.	G.V.Vandana	25,75,500	17.05
4.	G.Sirisha	24,43,731	16.18
5.	Steel City Financial Services Pvt. Ltd.	5,00,000	3.31
6.	K. S. V. Ramesh Babu	5,07,500	3.36
7.	K. Mahalakshmi	74,809	0.50
8.	K. Mrudula	65,000	0.43
9.	K. Geeta Vara Lakshmi	15,000	0.10
10.	K. Raj Kumar	2,600	0.02
11.	Nirmala Devi	2,00,009	1.32
12.	Sachin Arya	9,00,009	5.96
13.	Suman Arya	19,825	0.13
14.	Alka Rajput	76,409	0.51
15.	Venkata Triveni Tentu	2,42,428	1.60
16.	Pyla Madhu	51,300	0.34
	<b>Total</b>	<b>1,06,02,975</b>	<b>70.19</b>



### 7. COMMITTEES OF THE BOARD:

With a view to have a more focused attention on the business and for better governance and accountability, the Board has constituted including but not limited to various below mentioned Committees under the Act and Listing Regulations for compliance and / or administrative purpose. All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. The Committees make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. Currently, the Board has Five Committees: the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Internal Complaints Committee.

The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

#### A. Audit Committee:

The Audit Committee acts as a link between the statutory & internal Auditors and the Board of Directors of the Company. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

#### Composition, Meetings and Attendance:

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below:

During the F Y 2023-24, the Committee met for 5 (Five) times i.e., on 20.05.2023; 05.08.2023; 18.08.2023; 10.11.2023 and 05.02.2024. The details of the Composition of the Committee, number of meetings held and the attendance of the Members at the meetings during the year are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Sri. G. Satya Rama Prasad	Independent Director	Chairman	5	5
Sri. B. Krishna Rao	Independent Director	Member	5	5
Sri. E. Sridhar	Independent Director	Member	5	4
Smt. G.V. Vandana	Non-Executive Director	Member	5	5

The requisite quorum was present at the meetings of the Committee. Audit Committee meetings are also attended by the senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Audit Committee.



The scope of activities of the Audit Committee is as set out in Regulation 18 of the listing regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) regulations, 2015 and the amendments there to.

The Audit Committee also receives the report on compliance under the SEBI (code of conduct for Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy are also placed before the Committee.

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

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible;
- Recommendation of appointment, remuneration and terms of appointment of Auditors of the Company.
- Review and monitor the Auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the Auditors' Report thereon.
- Approval or any subsequent modification of transactions of the Company with Related Parties.
- Scrutiny of Inter-Corporate Loans and Investments.

**B. Nomination and Remuneration Committee:**

The Company has Nomination and Remuneration Committee (NRC) pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

The NRC Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMPs and senior management. The Committee also anchored the performance evaluation of the Individual Directors.

**Composition, Meetings and Attendance:**

During the F Y 2023-24, the Committee met Twice i.e., on 30.06.2023 and 28.02.2024. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Sri. G. Satya Rama Prasad	Independent Director	Chairman	2	2
Sri. G. Vijaya Kumar	Independent Director	Member	2	2
Sri. B. Krishna Rao	Independent Director	Member	2	2





The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with section 178 of the Companies Act, 2013.

**The terms of reference of the Committee are as follows:**

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

**Remuneration Policy:**

The Nomination and Remuneration Committee while deciding the remuneration package of the Directors and Senior Management Executives ensures that:

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/ Key managerial personnel/ Senior management of the quality required to run the Company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and variable incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals; and
- iv) specify the manner of effective evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board or by the NRC or by an independent external agency and review its implementation and compliance.

The Non-Executive Independent Directors (NEDs) are paid remuneration by way of Sitting Fees for their participation in various committee and board meetings.

**Performance Evaluation:**

In terms of provisions of the Act read with Rules made thereunder and Regulation 17 & 19 of the Listing Regulations, the Board, on recommendation of the NRC, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended March 31, 2024. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, inputs provided to executive management on matters of strategic importance, familiarization with the business of the Company and its Subsidiaries, etc.

**Remuneration to Directors:**

The details of the Salary, allowances, perquisites and performance bonus paid to the Executive Directors is tabled below:



Sl no	Name of the Director	Salary/ Allowance/ Perquisites & Performance Bonus (Rs. in Lakhs)	Contribution to funds	Total (Rs. in Lakhs)
1	Sri. K. Satyanarayana	Rs. 42.00	-	Rs. 42.00
2	Sri. Satish Kumar Arya	Rs. 42.00	-	Rs. 42.00
3	Sri. T. V. Srikanth	Rs. 27.00	-	Rs. 27.00

The details of the Commission/ Sitting Fee paid to the Independent Directors/ Non-Executive Directors of the Company during the F. Y 2023-24 is tabled below:

Slno	Name of the Director	Sitting Fee (Rs. in Lakhs)	Commission	Total (Rs. in Lakhs)
1	Sri. G. Satya Rama Prasad	Rs. 1.30	-	Rs. 1.30
2	Sri. G. Vijaya Kumar	Rs. 1.30	-	Rs. 1.30
3	Sri. B. Krishna Rao	Rs. 1.30	-	Rs. 1.30
4	Smt. G. V. Vandana	Rs. 1.30	-	Rs. 1.30
5	Sri. E. Sridhar	Rs. 1.30	-	Rs. 1.30

In accordance with the provisions of the Act and Listing Regulations, Independent Directors are not eligible for any Stock Options.

Except mentioned above, there was no other pecuniary relationship or transactions of Non-Executive Directors with the Company during the FY 2023-24. The Company has not granted any Stock Options to its Non-Executive Directors.

### Shares held by the Non-Executive Directors:

The details of the Equity Shares of the Company held by the Non-Executive Directors as on March 31, 2024 is given herein below:

Name of the Director	Category	No. of Shares held
Ms. G. V. Vandana	Non – Executive Director	25,75,500
Mr. G. Satya Rama Prasad	Independent Director	400
Mr. B. Krishna Rao	Independent Director	1,60,002
Mr. G. Vijaya Kumar	Independent Director	Nil
Mr. E. Sridhar	Independent Director	Nil

### C. Stakeholders Relationship Committee:

The terms of reference of the Committee are as follows:

- To address requests / resolve grievances of security holders including complaints related to transfer / transmission of securities, non-receipt of balance sheet, non-receipt of declared dividends / interests, etc.
- To monitor and transfer the amounts/shares transferable to the Investor Education and Protection Fund ("IEPF");



- To approve transfer/transmissions of securities
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Specifically look into the various aspects of interest of shareholders.
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the Company;
- Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis;
- To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company;

### Composition, Meetings and Attendance:

During the F Y 2023-24, the Committee met 4 (Four) times i.e., on 18.05.2023; 21.08.2023; 15.11.2023 and 29.02.2024. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Sri. B. Krishna Rao	Independent Director	Chairman	4	4
Sri. Satish Kumar Arya	Managing Director & CEO	Member	4	4
Sri. T. V. Srikanth	Whole Time Director	Member	4	4
Sri. G. Vijaya Kumar	Independent Director	Member	4	4

Stakeholder Relationship Committee meetings are also attended by the senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Committee.

The Committee reviews the complaints received by the Company from its Investors and the action taken by the management to address these complaints.

The Committee meets as and when required, to deal with the investor related matters.

### Details of the Compliance Officer:

Ms. Srividya. M, Company Secretary is the Compliance officer of the Company.



Contact details: “Steelcity heights”, 50-81-18, Main Road, Seethammapeta, Visakhapatnam – 530016.

Tel: 0891-2563581; 9848842720;

Email: [investorrelations@steelcitynettrade.com](mailto:investorrelations@steelcitynettrade.com)

Details of investor queries and grievances received and attended by the Company during the F. Y 2023-24 are given herein below:

SI No	Nature of Complaint	Pending as on 01.04.2023	Received during the year	Disposed off during the year	Pending as on 31.03.2024
1.	SEBI/ Stock Exchange Complaints	0	0	0	0
2.	Non – receipt of Dividend warrant / interest	0	0	0	0
3.	Non –receipt of Share Certificate	0	0	0	0
4.	Non – receipt of Annual Report	0	0	0	0
5.	Others	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### SEBI Complaints Redress System (SCORES):

The Securities and Exchange Board of India (“SEBI”) administers a centralised web based complaints redress system (“SCORES”). It enables investors to lodge and follow up complaints and track the status of redressal online on the website at <https://scores.sebi.gov.in>. Further, the SEBI has also introduced a common Online Dispute Resolution Portal (“ODR Portal”) vide its Circular bearing reference no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/131 dated July 31, 2023. The Company has registered itself on the SCORES and ODR Portal in order to enable the investors to raise their concern/ dispute/complaint against the market intermediaries and listed companies. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company endeavors to resolve all investor complaints received through SCORES and ODR Portal.

All complaints have been redressed to the satisfaction of the investors and none of them were pending as on March 31, 2024.

### D. Corporate Social Responsibility Committee:

The terms of reference of the Committee are as follows:

- Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above Clause



- Update the Board on the implementation of various programmes and initiatives.
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- Formulate and recommend to the Board for its approval, an annual action plan in pursuance to the CSR policy;
- Such other powers to be exercised by the CSRC pursuant to circulars, notifications issued by Statutory & Regulatory Authorities from time to time.

### Composition, Meetings and Attendance:

During the F Y 2023-24, the Committee met 3 (Three) times i.e., on 04.05.2023; 02.08.2023 and 27.03.2024 respectively. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Sri. K. Satyanarayana	Executive Chairman	Chairman	3	3
Sri. Satish Kumar Arya	Managing Director & CEO	Member	3	3
Sri. G. Satya Rama Prasad	Independent Director	Member	3	3

The Company has complied with the necessary requirements under the Companies Act, 2013 in this regard.

The CSR Policy devised in accordance with Section 135 of the Act and the details about the CSR Policy and initiatives & activities undertaken by the Company on CSR during the FY 2023-24 is annexed as “**Annexure 6**” to the Board’s Report.

### E. Internal Compliants Committee:

**The terms of reference of the Committee are as follows:**

- To act as Inquiry Authority on a complaint of sexual harassment/ discriminatory employment
- To ensure that complainant and witnesses are not victimized or discriminated because of their complaint
- To ensure that all conflicts of interest are managed appropriately

### Composition, Meetings and Attendance:

During the F Y 2023-24, the Committee met 4 (Four) times i.e., on 15.05.2023; 28.07.2023; 20.10.2023 and 06.01.2024 respectively. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:



Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
Smt. G. V. Vandana	Non-Executive Director	Chairperson	4	4
Sri. Satish Kumar Arya	Managing Director	Member	4	4
Smt. M. Srividya	Company Secretary	Member	4	4

### Policy on Prevention of Sexual Harassment of Women at Workplace:

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company believes that it is the responsibility of the organisation to protect the integrity and dignity of its women employees and also to avoid conflicts and disruptions in the work environment due to such cases. The Company has adopted a 'Policy on Prevention of Sexual Harassment at Workplace' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the policy, any women employee may report her complaint to the Committee on designated email id [investorcomplaints@steelcitynettrade.com](mailto:investorcomplaints@steelcitynettrade.com). We affirm that adequate access was provided to any complainant who wish to register a complaint under the policy.

Sl. No	Category	No. of Compliants			
		Pending as on 01.04.2023	Filed during the Year	Disposed off during the Year	Pending as on 31.03.2024
1	Sexual Harassment	0	0	0	0
2	Discriminatory Employment	0	0	0	0

### 8. Management Discussion and Analysis:

The Annual Report has a detailed chapter on Management Discussion and Analysis which is annexed as Annexure-9 to the Board's Report.

### 9. GENERAL BODY MEETINGS:

The venue and timings of the last three Annual General Meetings are given below:

Financial Year	Date	Location	Time
2020-21	18 September, 2021	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11.45 A.M.
2021-22	30 July, 2022	Through Video Conferencing (VC)/ Other Audio Visual Means	11.45 A.M.
2022-23	27 September, 2023	"Steel City Heights", # 50-81-18, Main Road, Seethammapeta, Visakhapatnam - 530016	11.15 A.M.



The number and particulars of the Special Resolutions passed in the last three Annual General Meetings are as follows:

Date of Annual General Meeting	Number and Particulars of Special Resolutions passed
18.09.2021	<ol style="list-style-type: none"><li>1. Re- appointment of Sri. B. Krishna Rao (DIN: 00274709) as Independent Non-Executive Director of the Company for a second term of five consecutive years in terms of Section 149 of the Companies Act, 2013.</li><li>2. Appointment of Sri. E. Sridhar (DIN: 09234140) as Independent Non-Executive Director of the Company for a period OF 5 (five) years.</li><li>3. To approve the increase in remuneration of Sri. K. Satyanarayana (DIN: 00045387), Executive Chairman of the Company.</li><li>4. To approve the increase in remuneration of Sri. Satish Kumar Arya (DIN: 00046156), Managing Director of the Company.</li><li>5. To approve the increase in remuneration of Sri.T. V. Srikanth (DIN: 07992172), Whole-Time Director of the Company.</li></ol>
30.07.2022	<ol style="list-style-type: none"><li>1. Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 120 Crores.2. Creation of security on the properties of the Company, both present and future, in favour of lenders</li></ol>
27.09.2023	-

### Postal Ballot Resolution(s):

During the year under review, the company has not passed any resolutions through Postal Ballot.

### 10. EMPLOYEES:

Continuous Employee Training Programs including seminars were conducted for upgrading their skills and knowledge in their respective areas.

### 11. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company including Subsidiaries has an adequate Internal Control System designed to ensure operational efficiency, protection, conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman of the Company.

The Internal Control System is supported by an Internal Audit Process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems, processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.



### 12. CREDIT RATING:

During the year under review, Rating Agencies reaffirmed/issued ratings to SCSL, as under: CRISIL: CRISIL SME Rating: SME - 2, It Indicates "High" level of Credit worthiness adjudged in relation to other SMEs.

### 13. CLIENTS:

Client Satisfaction is our number one goal. We strive for 100% Client Satisfaction with everyone who comes in and out of our building.

### 14. OTHER STAKEHOLDERS:

The Company is always concerned about Clients, Franchisers, Customers, Suppliers, Competitors, Creditors and Local Community and strives to meet all expectations reasonably.

### 15. SOCIETY:

The Company is proactive towards Corporate Social Responsibility since the date of its incorporation.

### 16. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provision of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has spent an amount of Rs. 29.53 Lakhs on CSR activities during the Financial Year 2023-24.

### 17. CORPORATE AFFAIRS & VISION:

The Company has been continuing effectively the best Corporate Affairs with the following:

- a) Advanced Planning Techniques and strategic supervision by the Board of Directors;
- b) Excellent co-ordination at all levels of management to achieve the tasks;
- c) Immediate attention towards Customers' requirements and public relations;
- d) Cautious approach in operations, rendering services efficiently and effectively to the clients;
- e) Adequate response towards socio-economic responsibilities;
- f) Focus on protecting the safety of the clients and the employees;
- g) To design the standards, policies, procedures and best practices in addition to the existing policies;
- h) To grow the Company and to generate long term Business results and expanding market presence;
- i) To retain the talented and dedicated Employees and implementing the best Administrative Manual;





- j) The vision is clear that SCSL will become the best performing and most respected Stock Broking Company in India, and
- k) The regular interaction with the Clients, Franchises, Branches, Employees encourage them to familiarize themselves with SCSL and helped to build the Brand Name "STEEL CITY".

### 18. MEANS OF COMMUNICATION:

The Board takes on record the audited/ unaudited annual/ quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated 05 July, 2016 issued by SEBI within prescribed time limit from the closure of the quarter/year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Business Standard and Andhra Prabha News Papers within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- (a) The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review/full audit (as applicable) and the report of the Auditors is also filed with all stock exchanges after it is approved by the Audit Committee and the Board of Directors of the Company at their duly convened meetings.
- (b) The quarterly results are not sent to each shareholder as shareholders are intimated through press and also the same is updated on the website of the Company.
- (c) The Company's website [www.steelcitynettrade.com](http://www.steelcitynettrade.com) provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- (d) The Company also makes presentations on the Operational and Financial Highlights to its investors including the analysts which are hosted on the website of the Company i.e., [www.steelcitynettrade.com](http://www.steelcitynettrade.com) and also submitted to the Stock Exchanges.
- (e) The Company has created a separate e-mail address i.e., [investorrelations@steelcitynettrade.com](mailto:investorrelations@steelcitynettrade.com) to receive complaints and grievances of investors.

### 19. GENERAL SHAREHOLDER INFORMATION:

- a) Annual General Meeting:
  - Date: 28<sup>th</sup> September, 2024
  - Time: 11.45 A.M.
  - Venue: "Steel City Heights", # 50-81-18, Main Road, Seethammapeta, Visakhapatnam - 530016
- b) Financial Year: The Financial year of the Company comprises of period of 12 Months from 1<sup>st</sup> April to 31<sup>st</sup> March.



- c) Name and Address of the Stock Exchange where the Shares are listed:

National Stock Exchange of India Limited  
Exchange Plaza, Plot No: C1, G Block,  
Bandra Kurla Complex,  
Bandra ( East), Mumbai – 400051

The Company has paid in full the requisite Annual Listing Fee for the Financial Year 2023-24 to NSE.

- d) Stock Code : STEELCITY

- e) Market Price data:

High, Low and Close Price during each month in the last financial year at NSE:

Month	NSE (Rs.)	
	High	Low
April' 23	67.95	60.70
May' 23	75.00	59.75
June ' 23	69.00	60.65
July'23	65.65	60.55
August'23	64.25	60.80
September'23	69.45	62.00
October ' 23	72.00	62.55
November'23	69.25	63.25
December '23	79.90	66.40
January '24	85.55	72.00
February '24	94.70	75.35
March'24	81.50	68.05

- f) Dividend Payment Date:

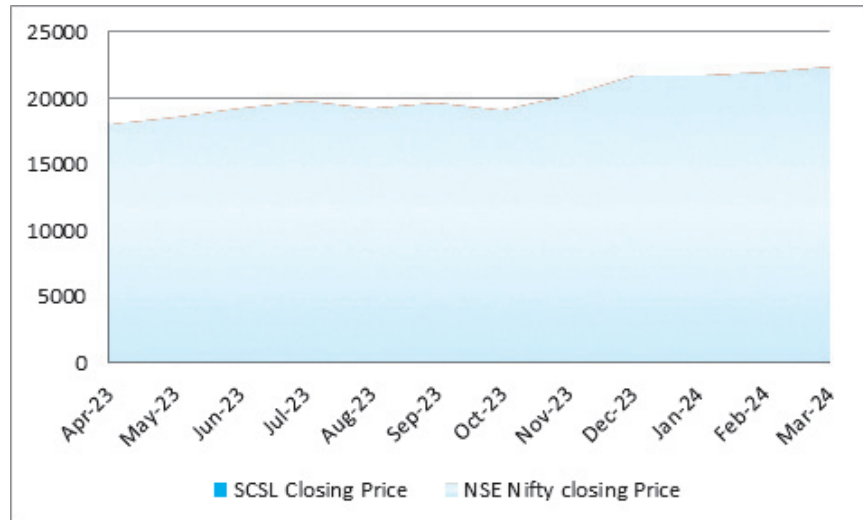
Dividend	Date of Declaration	Date of Payment	% of Dividend on face value of Equity Share	Amount Per Share
Final Dividend 2022-23	27 <sup>th</sup> September, 2023	11 <sup>th</sup> October, 2023	10%	Re. 1/-
1 <sup>st</sup> Interim Dividend 2023-24	8 <sup>th</sup> July, 2023	26 <sup>th</sup> July, 2023	10%	Re. 1/-
2 <sup>nd</sup> Interim Dividend 2023-24	5 <sup>th</sup> February, 2024	22 <sup>nd</sup> February, 2024	10%	Re. 1/-



a) **Corporate Identification Number:** L67120AP1995PLC019521

b) **Stock Performance in comparison to Nifty:**

Steel City's Share Price and Nifty performance:



a) **Registrar and Share Transfer Agent:**

The Board has delegated the authority of approving transfer, transmission etc. of the Shares of the Company to the Registrar and Share Transfer Agent, M/s. Bigshare Services Private Limited, Mumbai continues to act as Registrar and Share Transfer agent to take care of the works relating to physical shares and electronic connectivity and other D-Mat related services.

Address:

Bigshare Services Private Limited,  
1<sup>st</sup> Floor , Bhart Tin Works Building,  
Opp. Vasant Oasis Apartments  
(Next to Keys Hotels), Marol maroshi Road,  
Andheri (E), Mumbai - 400059  
Phone : 040 - 23374967  
Fax : 040 - 23370295  
E-Mail : [bsshyd@bigshareonline.com](mailto:bsshyd@bigshareonline.com)  
Website : [www.bigshareonline.com](http://www.bigshareonline.com)

j) **Share Transfer System:**

Trading in equity Shares of the Company through recognized Stock Exchanges is permitted in dematerialized form.

The board has delegated the authority for approving transmission etc., of the Company's securities to the Stakeholders Relationship Committee. The Stakeholder's Relationship Committee meets as and when required to consider the transmission of Shares, requests for issue of Duplicate Share Certificates, etc., and attend to the Shareholder's grievances.



### k) Distribution of Shareholding by size as on 31.03.2024:

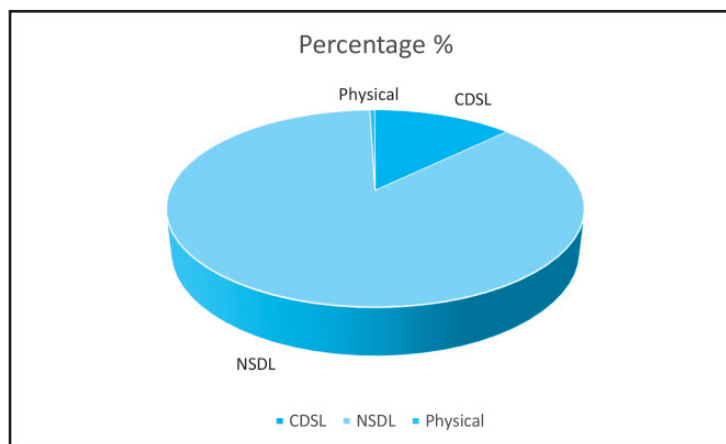
Shareholding of Nominal (Rs.)	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
1-5000	11239	91.14	790981	5.24
5001- 10000	490	3.98	398638	2.64
10001-20000	313	2.54	525674	3.48
20001 – 30000	70	0.57	179098	1.18
30001-40000	45	0.36	160641	1.06
40001-50000	30	0.24	141910	0.94
50001-100000	62	0.50	447512	2.95
100001-9999999999	82	0.67	12462641	82.60
<b>Total</b>	<b>12331</b>	<b>100</b>	<b>15107095</b>	<b>100</b>

### l) Demat Information:

As on 31st March, 2024, 1,50,34,295 Equity Shares of the Company were held in Dematerialisation form with NSDL and CDSL and 72,800 Equity Shares of the Company were held in Physical Form.

Bifurcation of Equity Shares in physical and electronic mode as on March 31, 2024 are as follows:

Category	No. of Shares	Percentage %
CDSL	19,35,752	12.80%
NSDL	1,30,98,543	86.70%
Physical	72,800	0.50%





**ISIN No for Equity Shares of the Company: INE395H01011**

**m) Outstanding ADRs/ GDRs / Warrants or any convertible instruments, conversion date and likely impact on Equity:**

The Company has not issued any ADRs/ GDRs/ Warrants or any Convertible instruments.

**n) Foreign Exchange Risk and Hedging Activities:**

Not Applicable

**o) Plant Location:**

The Company is into the business of Stock Broking and hence, it does not have any manufacturing plants.

**p) Name and Address of the Compliance Officer:**

Ms. Srividya.M  
Company Secretary & Compliance Officer  
Steel City Securities Limited  
"Steel City Heights", 50-81-18, Main Road,  
Seethammapeta, Visakhapatnam – 530016  
Tel: 0891-2563581;  
Email: [srividya.m@steelcitynettrade.com](mailto:srividya.m@steelcitynettrade.com)

**q) List of all credit ratings obtained along with any revisions thereto during the relevant financial year:**

The details of credit rating obtained by the Company is included in the Board's Report forming part of the Annual Report.

**20. OTHER DISCLOSURES:**

a) During the last three years, there were no material strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any Regulatory Authority for non-compliance of any matter related to the Capital Market.

**b) Whistle Blower Policy / Vigil Mechanism:**

Pursuant to the provisions of Regulation 22 of the Listing Regulations and section 177 of the Act, the Company established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail the mechanism and makes provision for direct access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company at we affirm that no director / employee of the Company was denied access to the Audit Committee.

c) The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Audit Committee and Board for its approval.



**d) Compliance with Mandatory Requirements:**

The Company has complied with all the mandatory requirement of the listing regulations.

**e) Disclosure of Accounting Treatment in Preparation of Financial Statements**

The financial statements for the year ended 31<sup>st</sup> March, 2024, have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

**f)** Complied with the various statutory provisions and submitted the required information to the concerned authorities relating to the business affairs of the Company from time to time.

**g)** The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing regulations.

**h)** M/s. ASN Associates, Practising Company Secretaries have certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI or Ministry of Corporate Affairs or any such statutory authority, is annexed to this Report as "**Annexure A**".

**i)** The total fee paid to M/s. Rao & Kumar, Chartered Accountants, Statutory Auditors of the Company on consolidated basis is Rs. 3,00,000/- for the Financial Year 2023-24.

**j) Details of utilization of funds raised through preferential allotment or qualified Institutional placement as specified under Regulation 32(7A):**

During the year 2023-24, the Company has not raised any funds through preferential allotment or qualified institutional placement.

**k)** In terms of the amendments made to the Listing Regulations, the Board of Directors confirmed that during the financial year, it has accepted all recommendations received from its mandatory committees.

**l) Disclosure of certain type of agreements binding listed entities:** In terms of Schedule III, Para A, Clause 5A of the Listing Regulations, there is no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.



### m) Subsidiary and Associate Companies:

The Company has a Wholly owned Subsidiary M/s. Steel City Commodities Private Limited and an Associate Company M/s. Steel City Financial Services Private Limited, which is a NBFC registered with RBI.

Name of the Subsidiary/ Associate Company	Details of Incorporation		Details of Statutory Auditor	
	Place	Date	Name	Date of Appointment
Steel City Commodities Private Limited	Visakhapatnam	17 <sup>th</sup> day of October, 2002	Sudhakar & Kumar Associates	30 <sup>th</sup> July, 2022
Steel City Financial Services Private Limited	Visakhapatnam	10 <sup>th</sup> January, 1997	Sudhakar & Kumar Associates	16 <sup>th</sup> July, 2021

### n) CEO/ CFO Certification:

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chief Executive officer and Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Chief Executive Officer and the Chief Financial Officer is annexed to this Report as “**Annexure B**”.

### o) Code of Conduct:

The Board has laid down the Code of Conduct for its Directors and for Senior Management of the Company. All Board members and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management. A declaration signed by the Chief Executive Officer & Managing Director to this effect is annexed to this Report as “**Annexure C**”.

18. During the Financial Year 2023-24, the shares of the Company are not suspended on the Stock Exchanges.

**19. ADDRESS FOR CORRESPONDENCE:** Steel City Securities Limited  
 “Steel City Heights”, # 50-81-18,  
 Main Road, Seethammampeta,  
 Visakhapatnam – 530016  
 Andhra Pradesh, India  
 Phone : 0891-2796984/2720234  
 Fax : 0891-2720135 / 2762586  
 E-Mail : investorrelations@steelcitynettrade.com  
 Website : [www.steelcitynettrade.com](http://www.steelcitynettrade.com)  
 CIN : L67120AP1995PLC019521



### ANNEXURE - A

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations)

To

The Members,  
M/s. Steel City Securities Limited  
Steel City Heights,50-81-18,Main Road,  
Seethammapeta,Visakhapatnam(Urban)-530016,  
Andhra Pradesh,India.

Based on our verification of the declarations provided to Steel City Securities Limited (hereinafter referred to as 'the Company') by the Directors (as enlisted in Table A) and the documents and details available on the website of the Ministry of Corporate Affairs, NSE Limited, and publicly available details of cases/litigations filed against any individuals as on 31.03.2024, we hereby certify that in our opinion, the Directors of the Company (as enlisted in Table-A) are neither debarred nor disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authorities.

We have followed processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the declarations. We believe that the processes and practices, we followed provide a reasonable basis for our certification.

**TABLE-A**

<b>SIno</b>	<b>Name of the Director</b>	<b>DIN</b>
1	Kamireddi Satyanarayana	00045387
2	Satish Kumar Arya	00046156
3	Tentu Venkata Srikanth	07992172
4	Godithi Prasad Satya Rama	00045351
5	Vijaya Kumar Geddam	09045817
6	Sridhar Emmidisetty	09234140
7	Krishna Rao Bheri	00274709
8	Vishnu Guruv Vandana	07548398

For ASN Associates  
Company Secretaries

K Surendra  
Partner  
Membership No:34205  
CP No:12732  
UDIN:A034205F000384698  
Place:Visakhapatnam  
Date:16.05.2024





### ANNEXURE - B CEO AND CFO CERTIFICATION

To

The Board of Directors  
Steel City Securities Limited  
Visakhapatnam

Dear Members of the Board,

We have reviewed the Financial Statements and the cash flow statement of Steel City Securities Limited for the year ended 31st March, 2024 and 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.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls. We have indicated to the Auditors and the Audit Committee:

- (i) that there are no significant changes in internal control over financial reporting during the year;
- (ii) that there are no significant changes in accounting policies during the year; and
- (iii) that there are no instances of significant fraud of which we have become aware.

For Steel City Securities Limited

Place: Visakhapatnam

Date : 16.05.2024

**Satish Kumar Arya**  
Managing Director

**N. Ramu**  
Chief Financial Officer



### ANNEXURE - C

#### DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of Steel City Securities Limited

I hereby declare that all the Members of the Board and Senior Management Personnel of the Company are aware of the provisions of the Code of Conduct laid down by the Board. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Place: Visakhapatnam

**For Steel City Securities Limited**

Date: 16.05.2024

**Satish Kumar Arya**  
Managing Director  
(DIN: 00046156)



### ANNEXURE - 4 AUDITOR'S CERTIFICATE

Auditor's Certificate on Compliance with Conditions of Corporate Governance requirements under SEBI(LODR) Regulations, 2015.

To

The Members of  
Steel City Securities Limited  
Visakhapatnam.

We have examined the compliance of conditions of corporate governance by M/s. Steel City Securities Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2024 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with National Stock Exchange of India Limited.

The compliance of conditions of corporate governance is the responsibility of the management. 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.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, pursuant to the Listing Agreement of the Company with National Stock Exchange of India Limited.

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.

**For ASN Associates  
Company Secretaries**

Place: Visakhapatnam  
Date: 16.05.2024

**K. Surendra**  
Partner  
Mem No: 34205  
CP No: 12732  
UDIN: A034205F000384731



### ANNEXURE - 5

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

**(a) CONSERVATION OF ENERGY:**

During the year under review and nature of activities which are being carried on by your Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption, are not applicable to the Company. However, the Company has access regarding Conservation of Energy and Technology Absorption, wherever it is applicable.

**(b) TECHNOLOGY ABSORPTION:**

Not Applicable.

**(c) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

During the period under review, the Company has not earned any Foreign Exchange and also not incurred any expenditure in Foreign Exchange.

Particulars	2023-24	2022-23
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

For Steel City Securities Limited

Date : 16.05.2024

Place: Visakhapatnam

**K. Satyanarayana**  
Executive Chairman  
(DIN: 00045387)

**Satish Kumar Arya**  
Managing Director  
(DIN: 00046156)



### Annexure - 6

#### Annual Report on Corporate Social Responsibility (CSR)

[Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014]

#### 1. Brief Outline on CSR Policy of the Company:

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover our business, but also that of the communities around us. Our Corporate Social Responsibility (CSR) Policy, thus, is not limited to philanthropy, but also includes large initiatives that lead to social development.

The objective of this policy is to set guiding principles for carrying out CSR Activities by the Company and also to set up the process of execution, implementation and monitoring of the CSR Activities to be undertaken by the Company.

#### 2. Composition of the CSR Committee as on 31<sup>st</sup> March, 2024:

The Company has a Board Committee (CSR committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. The Composition of the CSR committee of the Board of Directors of the Company is depicted below:

Sino	Name of the Director	Designation/ Nature of Directorship	No. of CSR Committee Meetings held during the year	No. of CSR Committee Meetings attended during the year
1.	K. Satyanarayana	Chairman - Executive Chairman	3	3
2.	Satish Kumar Arya	Member - Managing Director & CEO	3	3
3.	G. Satya Rama Prasad	Member - Non - Executive Independent Director	3	3

#### 3. Website Link where the composition of the CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: [https://www.steelcitynettrade.com/PDF/CSR\\_Policy.pdf](https://www.steelcitynettrade.com/PDF/CSR_Policy.pdf)

#### 4. Details of Impact assessment of CSR Projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not Applicable

#### 5. Details of Amount available for set off in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:



Sino	Particulars	Financial Year	Amount available for set-off from preceding Financial Years (in Rs.)	Amount required to be set-off for the Financial year, if any (in Rs.)
		Not Applicable		

6. **Average Net Profit of the Company as per Section 135(5):** Rs. 1476.73 Lakhs.
7. (a) **Two percent of the average net profit of the Company as per Section 135(5):** Rs. 29.53 Lakhs.
- (b) **Surplus arising out of the CSR Projects or Programs or activities of the previous financial years:** Nil
- (c) **Amount required to be set off for the Financial year, if any :** Nil
8. **Total CSR obligation for the Financial year (7a+7b+7c):** Rs. 29.53 Lakhs.
9. (a) **CSR amount unspent for the Financial year :**

Total Amount spent for the Financial Year	Amount Unspent (Rs. In Million)				
	Total Amount transferred to unspent CSR Amount as per Section 135 (6)			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)	
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
		NIL			

**(b) Details of CSR amount spent against ongoing projects for the Financial year:**

SI no	Name of the Project	Item from the list of Activities in Schedule VII to the Act	Local Area (Yes/ No)	Location of the Project		Project Duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation - Direct ( Yes/ No)	Mode of Implementation - through Implementing Agency	
				State	District						Name	CSR Registration no
						Not	Applicable					



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

Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area(Yes/ No)	Location of the Project		Amount spent for the project (Rs. in Lakhs)	Mode of Implementation (Direct/ Indirect)	Mode of Implementation - through Implementing Agency	
				State	District			Name	CSR Registration No
1.	Sneha Sandhya Age Care Foundation		Yes	Andhra Pradesh	Visakhapatnam	10.00	Yes	NA	
2.	Prime Minister National Relief Fund	Contribution to the prime ministers national relief fund (PMNRF)				1.53			
3.	East Point Golf Club	setting up homes and hostels for orphans	Yes	Andhra Pradesh	Visakhapatnam	10.00	Yes	NA	
4.	Harekrishna Movement	Protection of National Heritage	Yes	Andhra Pradesh	Visakhapatnam	7.00	Yes	NA	
5.	Shri Saradamba Vidyapeeth	Protection of National Heritage	Yes	Andhra Pradesh	Visakhapatnam	1.00	Yes	NA	

**(d) Amount Spent on Administrative Overheads: Nil**

**(e) Amount spent on Impact Assessment, if applicable: Not Applicable**

**(f) Total amount spent for the Financial year (8a+8b+8c) : Rs. 29.53 Lakhs**

**(g) Excess Amount for Set - off (if any):**

Sl no	Particular	Amount (Rs. in Lakhs)
(i)	Two Percent of Average Net Profit of the Company as per Section 135 (5)	Rs.29.53
(ii)	Total amount spent for the Financial year	Rs.29.53
(iii)	Excess amount spent for the Financial year [ (ii) - (i) ]	Rs.0.00
(iv)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years, if any	Rs.0.00
(v)	Amount available for set off in succeeding financial years [(iii) - (iv)]	Rs.0.00



**10. (a) Details of unspent CSR amount for the preceding three financial years:**

SI No	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the Reporting Financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135 (6), if any			Amount remaining to be spent in succeeding Financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
		Not Applicable					

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

SI No	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / ongoing
				Not Applicable				

**11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):** None

- (a) Date of Creation or acquisition of the capital asset (s):
- (b) Amount of CSR spent for creation or acquisition of capital asset:
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their addresses etc.
- (d) Provide the details of the capital assets(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**12. Specify the reasons(s), if the Company has failed to spend two percent of the average net profit as per Section 135 (5):** Not Applicable

Place: Visakhapatnam

**For Steel City Securities Limited**

Date: 16.05.2024

**Satish Kumar Arya**  
Managing Director  
(DIN: 00046156)

**K. Satyanarayana**  
Chairman of the Committee  
(DIN: 00045387)





### Annexure - 7

Statement of Particulars of Employees Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### i. Employed throughout the Financial Year 2023-24

There were no employees receiving remuneration in the aggregate, more than One Crore and Two Lakhs Rupees in the Company during the Financial Year.

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2023-24, and the comparison of the remuneration to Key Managerial Personnel(KMP) against the performance of the Company are as under:

Sl.No.	Name of Director/ KMP and Designation	Remuneration of Director KMP for the financial year 2023-24 (Rs. in Lakhs)	% increase in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each Director/ KMP to median Employees
1.	K. Satyanarayana, Executive Chairman	42.00	16.67	12.58
2.	Satish Kumar Arya, Managing Director	42.00	16.67	12.58
3.	T. V. Srikanth, Whole Time Director	27.00	12.50	8.08
4.	N. Ramu, Chief Financial Officer	19.57	5.30	5.86
5.	M. Srividya, Company Secretary	9.73	17.05	2.91

- i. The Median remuneration of Employees of the Company during the Financial Year was Rs. 3.34 Lakhs
- ii. The Percentage increase in the Median remuneration of employees for the Financial Year is 12.39%.
- iii. In the financial year, there was a increase of Rs. 0.37 Lakhs p.a. in the median remuneration of employees.
- iv. There were 323 permanent employees on the rolls and 55 probationers working with the Company as on 31<sup>st</sup> March, 2024.
- vi. Average percentile increase made in the salaries of employees other than the managerial Personnel in the financial year 2023-24 was 11.07%, whereas there is an increase of Rs. 20.45 Lakhs in the managerial remuneration for the same financial year. The increase in remuneration was in line with the performance of the Company, industrial standards and individual employee performance.
- vii. Affirmation that the remuneration is as per the remuneration policy of the Company:**  
The Company affirms that the remuneration paid is as per the Nomination and Remuneration policy of the Company.



### Annexure - 8 Form No. MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2024

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

To,

The Members,  
M/s Steel City Securities Limited  
Steel City Heights, 50-81-18, Main Road, Seethampeta,  
Visakhapatnam (Urban) – 530 016, Andhra Pradesh, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Steel City Securities Limited (CIN: L67120AP1995PLC019521)** (here-in-after called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and 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 31<sup>st</sup> March, 2024, 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Steel City Securities Limited for the Financial Year ended on 31<sup>st</sup> March, 2024 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 Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - 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, 1992;



- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the Stock Exchanges;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – *Not applicable as the Company has not issued any Employee Stock Option Scheme;*
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 -*Not applicable as the Company has not issued any debt securities during the financial year under review;*
  - g) 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
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - *Not applicable* and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - *Not applicable as the Company did not buy back its equity shares during the financial year under review;*
2. We are of the opinion that the Management has complied with the following Laws specifically applicable to the Company:
- (a) The Payment of Wages Act, 1936
  - (b) The Minimum Wages Act, 1948
  - (c) Employees Provident Funds and Miscellaneous Provisions Act, 1952
  - (d) The Payment of Bonus Act, 1965
  - (e) The Payment of Gratuity Act, 1972
  - (f) The Contract Labour (Regulation & Abolition) Act, 1970
  - (g) The Child Labour (Prohibition & Regulation) Act, 1986
  - (h) The Industrial Employment (Standing Order) Act, 1946
  - (i) The Employee Compensation Act, 1923
  - (j) Information Technology Act, 2000 and the Rules made there under
- We have also examined compliance with the applicable Clauses of the following:
- Secretarial Standards issued by The Institute of Company Secretaries of India.
  - The Listing Agreements entered into by the Company with the Stock Exchanges



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

1. Few E-Forms were filed with additional fees
2. Unclaimed dividends includes an amount of Rs.1,68,240/- due and outstanding to be credited to investor education and protection funds. But, due to technical glitches in the MCA website the remittance could not be made within the due date i.e. 23/03/2023. However, the Company has filed form No.IEPF-1 with in the due date. The delay in remittance is due to the conditions beyond the control of the Company.

**We further report that:**

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- b) Adequate notices given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least Seven Days in advance either by way of hand delivery or through e-Mail communication, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
- c) As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.
- d) We report that there is scope to improve the systems and processes in the Company to be commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws,rules,regulations and guidelines.
- e) We further report that the Company has complied with the requirements under the Equity Listing Agreements entered into with NSE Limited;
- f) According to the information provided by the Management, the following are the pending cases against the Company:
  - (i) Demands against the Company not acknowledged as debts, amounting to Rs. 19,82,144/- are pending at various courts/forums.
  - (ii) Service tax demands for Rs.5,39,77.462/- pending in appeals.
  - (iv) The Company is in receipt of Show Cause Notices from the Service Tax Department for Rs.1,15,28,598/- for the period 01.04.2016 to 30.06.2017.The Company has deposited an amount of Rs.13,49,186/- as a condition precedent of hearing the appeal before The Commissioner (Appeals) in case of order dated 09.01.2017.



However the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commission (Appeals) before CESTAT by depositing additional Pre-deposit of Rs. 4,49,729/- on 01.08.2018.

4. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

**For ASN Associates**  
Company Secretaries

**K Surendra**  
Partner  
ACS No.: 34205  
C P No.: 12732  
**UDIN: A034205F000384632**

Place: Visakhapatnam  
Date: 16.05.2024

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



### 'ANNEXURE -A'

To,

The Members,

**M/s. Steel City Securities Limited**

Steel City Heights,50-81-18,Main Road,Seethammapeta,  
Visakhapatnam(Urban) – 530 016,Andhra Pradesh, India

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The Compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial record and books of accounts have not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.
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 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 ASN Associates**

Company Secretaries

**K Surendra**

Partner

ACS No.: 34205

C P No.: 12732

**UDIN: A034205F000384632**

Place: Visakhapatnam

Date: 16.05.2024



### ANNEXURE - 9

#### MANAGEMENT DISCUSSION AND ANALYSIS

##### **ECONOMY OVERVIEW:**

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally Synchronized monetary policy tightening. Despite many gloomy predictions, the world Avoided a recession, the banking system proved largely resilient, and major emerging market economies did not suffer sudden stops. (Source: IMF).

Despite an uptick in growth in major economies, the IMF remains cautious in its outlook on the global economy going forward. In its World Economic Outlook (WEO) April 2024 report, IMF has projected global growth to remain steady at 3.2 per cent in 2024 and 2025, marginally higher than 3.1 per cent in its January 2024 update. The slow pace of expansion is mainly attributed to high borrowing costs, withdrawal of fiscal support, and continued impact of conflict in Europe, weak productivity growth, and increasing geo-economics fragmentation.

Asia is expected to continue to account for the bulk of global growth in 2024-25. Inflation is expected to ease gradually as cost pressures moderate; headline inflation in G20 countries is expected to decline. The global economy has demonstrated resilience amid high inflation and monetary tightening, with growth around previous levels for the next two years (Source: World Bank).

Global equity markets ended 2023 on a high note, with major global equity benchmarks delivering double-digit returns. This outperformance was led by a decline in global inflation, slide in the dollar index, declining crude and higher expectations of rate cuts by the US Fed and other Central banks.

##### **Indian Economy:**

India showcased resilience amid global headwinds in 2023 and is likely to remain the world's fastest-growing major economy on the back of growing demand, moderate inflation, stable interest rates and robust foreign exchange reserves. Over the course of the last decade (2014-2024), India has showcased a robust and resilient growth story driven by perseverance, ingenuity, and long-term vision in spite of unprecedented challenges such as COVID-19 pandemic and evolving geopolitical situations. In the last 10 years, India has moved from the 10th largest economy to the 5th largest economy of the world with an estimated GDP of \$3.7 trillion in FY24.

##### **INDIAN EQUITY MARKET**

India's stock market achieved a historic milestone, surpassing the \$4 trillion market value for the first time, thereby solidifying its position as the world's 5th-largest equity market. Marked by new highs and volatility, fiscal 2024 was a boon to equity investors who parked their investments in broader markets. Foreign investors demonstrated strong interest in India's stocks, injecting over \$15 billion into the market, while domestic funds contributed more than \$20 billion. This surge in investment reflects confidence in India's efforts to bolster its economic growth.

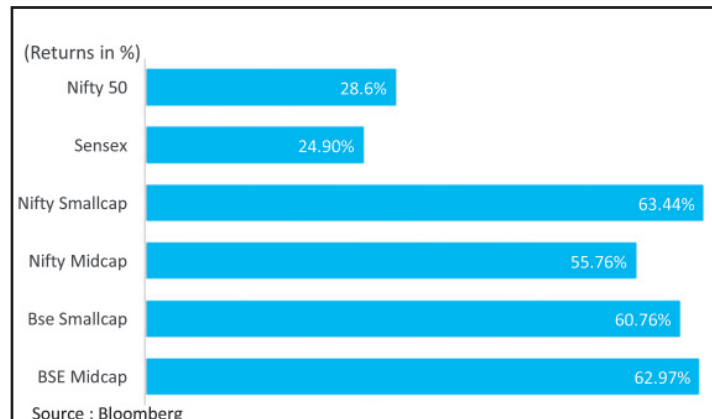


In the FY 2023-24 nearly 3.7 crore Demat accounts were added, marking the largest increase ever, averaging over 30 lakh accounts a month, driven by a rally in the market. The number of Demat accounts opened with two depositories - the Central Depository Services (CDSL) and the National Securities Depository (NSDL) -- jumped 11.9 percent year-on-year, to 15.14 crore from 11.45 crore.

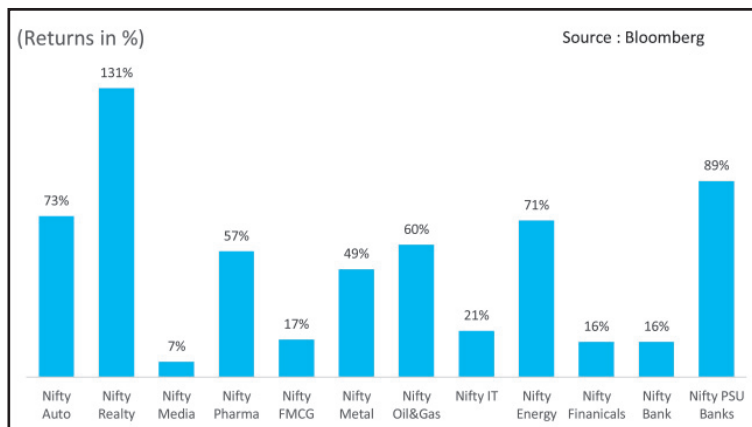
This upward momentum in market was propelled by widespread buying across various sectors. This upward momentum in market was propelled by widespread buying across various sectors, despite challenges such as a depreciating rupee affecting market sentiment. The positive close for the fiscal year is attributed to robust demand in power, auto and metal stock, aligning with the bullish wave as seen in the international markets.

NSE Nifty 50 rose about 28.6% in FY24, while it hit an all-time high of 22,526 mark on March 11. The S&P BSE Sensex rising 24.9% in the financial year and hitting a fresh life high of 74,245.17 on March 7. The small and mid-cap space paid off for investors, as the indices outperformed the benchmarks during the year. On NSE, Nifty Small cap rose 63.44%, while Nifty Midcap advanced 55.76%. The BSE Small cap jumped 60.76% and BSE Midcap was up 62.97%.

### Broader Market vs Benchmarks in FY24



### Sectoral Performance in FY24







### Future Outlook

India's real GDP is forecasted to grow by 8.2% in FY24 (according to the National Statistical Office (NSO)), propelled by a strong upturn in industrial sectors, notably manufacturing. This growth is fuelled by declining input costs and increasing profitability. Additionally, the construction sector has experienced an uptick due to increased government capital expenditure (capex) and rising demand for office spaces and housing, particularly in urban areas.

There are several positive factors for the Indian economy. While healthy balance sheets of banks and corporates, supply chain normalization, business optimism and robust government capital expenditure are favourable for a renewal of the capex cycle, however the private capital investment cycle needs to take off. Thus, going forward, India is expected to see relatively stronger growth.

Few of the initiatives which will be stepping stones for the growth of our Company in coming years:

- Digital continues to be a game changer: Digitization has been a key driver for the financial services industry. Advances in technology, increasing smartphone penetration, and increasing digitization at systemic level are expected to lead more retail investors to adopt and consume financial services through Online. We have launched new version of Mobile App (Steel city SMART PLUS). We strongly believe significant growth of business transactions through our Mobile app will grow day by day.
- Completely digital on-boarding process (Quick KYC & Re KYC) whereby clients can open SCSL Demit & Trading accounts instantly will also help to onboard new clients quickly and hassle free.
- Plans to set up over 50,000+ E-governance centers by FY25
- We have plans to broaden and deepen geographical presence and expand distribution networks in the Northern and Western market of India
- Focus on augmenting product line under the e-governance segment with emphasis on NPS promotion. Leveraging its TIN centers for distribution of third party products ie. Loans, mutual funds, insurance schemes, credit cards and IPO's.



### Independent Auditor's Report

To

The Members of **Steel City Securities Limited**  
Visakhapatnam

#### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying Standalone financial statements of STEEL CITY SECURITIES LIMITED ("the Company") which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Financial Statements

#### **Key Audit Matters**

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



### 1. Evaluation of uncertain Tax Positions (Indirect Tax)

The Company has material uncertain tax positions (Indirect Tax) including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

#### Auditor's Responses

##### Principal Audit Procedures

Obtained details of completed orders, Show-cause-notices and Demands as at 31st March, 2024 from the Management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

We have not come across any other matters to be considered as key matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the standalone financial statements, consolidated financial statements and our auditor's report thereon.

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

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

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

##### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, change in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rules 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing



and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 the 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 Standalone 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 Standalone Financial Statements.

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable



2. As required by section 143 (3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable.
  - e. On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 operating effectiveness of the Company's internal financial control over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company has disclosed the pending litigations which would impact its financial position of the Company in its Financial Statements as of March 31, 2024 - Refer Note No.30
    - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - d. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the



financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For RAO AND KUMAR**  
**Chartered Accountants**  
FRN:003089S

Place: VISAKHAPATNAM  
Date: 16-05-2024

**CA C M RAVI PRASAD**  
(Partner)  
Membership No. : 211322  
UDIN:24211322BKBUJM9936



### “Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind As financial statements of the Company for the year ended March 31, 2024:

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - (a) (A) the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) the company is maintaining proper records showing full particulars of intangible assets
  - (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the company.
  - (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
  - (e) No proceedings have been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable
- (b) The Company has not been sanctioned working capital limits in excess of 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) The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.





(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable

(vii) In respect of statutory dues :

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable

(b) Details of statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.

Name of the statute	Nature of dues	Amount Rs. in Lakhs	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax and interest	539.77	FY 2012-2013 to FY 2014-2015	CESTAT, Hyderabad

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender

(b) The company has not declared wilful defaulter by any bank or financial institution or other lender

(c) The term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the standalone 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.



- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.  
(c) As per the information and explanation given to us, no whistle-blower complaints, received during the year by the company
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

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



- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) 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 standalone financial statements and 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 indicating that 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) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) As there are no ongoing Projects towards CSR activities and hence reporting under clause (xx)(b) of the Order is not applicable.

**For RAO AND KUMAR**  
**Chartered Accountants**  
FRN:003089S

Place: VISAKHAPATNAM  
Date: 16-05-2024

**CA C M RAVI PRASAD**  
(Partner)  
Membership No. : 211322  
UDIN:24211322BKBUJM9936



### **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Steel City Securities Limited**

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

We have audited the internal financial controls over financial reporting of STEEL CITY SECURITIES LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone Ind-AS standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

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

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

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



### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 RAO AND KUMAR**  
**Chartered Accountants**  
FRN:003089S

Place: VISAKHAPATNAM  
Date: 16-05-2024

**CA C M RAVI PRASAD**  
(Partner)  
Membership No. : 211322  
UDIN:24211322BKBUJM9936



### STANDALONE BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2024

Particulars	Note No	As at 31-Mar-24 Rs. In lakhs	As at 31-Mar-23 Rs. In lakhs
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) property plant and equipment	3	1,207.87	1,273.43
(ii) capital Work-in-progress	3(i)	-	-
(iii) Intangible Assets	4	16.35	23.54
(b) Deferred tax Asset (net)	5	194.58	205.34
(c) Financial Assets			
(i) Non Current Investments	6	895.34	684.14
(ii) Long term Loans and Advances	7	150.00	150.00
(iii) Other Financial assets	8	416.81	1,083.53
<b>2. Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	9	5,428.14	4,353.42
(ii) Cash and Cash Equivalents	10	487.50	2,303.26
(iii) Bank Balances other than cash and cash Equivalents	11	5,529.40	5,878.97
(iv) Short-term loans and advances	12	188.25	146.93
(v) Other Financial Assets	13	4,119.22	-
(b) Other Current Assets	14	596.06	521.50
<b>Total</b>		<b>19,229.52</b>	<b>16,624.06</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,510.71	1,510.71
(b) Other Equity		8,716.89	8,029.37
<b>2. Non- Current Liabilities</b>			
(a) Financial Liabilities			
(i) Long-term borrowings		-	-
(b) Deferred tax liabilities (net)	5	-	-
(c) Provisions	16	23.59	7.38
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Short-term borrowings	17	433.28	2.80
(ii) Trade Payables	18	6,654.52	5,147.77
(iii) Other Financial Liabilities	19	718.75	730.30
(b) Other Current Liabilities	20	785.10	848.73
(c) Short-term Provisions	21	386.68	347.00
<b>Total</b>		<b>19,229.52</b>	<b>16,624.06</b>
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For RAO & KUMAR  
Chartered Accountants  
Firm Reg.No.003089S

CA C M RAVI PRASAD  
Partner  
Membership NO.211322  
UDIN:24211322BKBUJM9936  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA  
EXECUTIVE CHAIRMAN  
  
N RAMU  
CHIEF FINANCIAL OFFICER

SATISH KUMAR ARYA  
MANAGING DIRECTOR  
  
M SRIVIDYA  
COMPANY SECRETARY



### STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2024

Particulars	Note No	Year ended 31-Mar-24 Rs. In lakhs	Year ended 31-Mar-23 Rs. In lakhs
I. Revenue from Operations	22	5,905.97	5,451.10
II. Other Income	23	349.26	308.68
<b>III. Total Income (I+II)</b>		<b>6,255.23</b>	<b>5,759.78</b>
IV. Expenses			
Expenditure on Trading Operations	24	111.71	91.12
Impairment of Financial Instruments	25	(10.16)	(21.07)
Employee benefits expense	26	1,271.82	1,215.36
Finance Costs	27	60.42	58.35
Depreciation and amortisation expense	3 & 4	102.13	71.45
Other expenses	28	3,162.87	2,957.57
Loss/(profit) on Sale of Assets		-	-
<b>Total Expenses</b>		<b>4,698.79</b>	<b>4,372.79</b>
V. Profit before tax (III-IV)		1,556.44	1,386.99
VI. Tax Expense			
1) Current Tax		386.68	347.00
2) Tax relating to prior years		10.47	6.97
3) Deferred tax		10.76	11.53
<b>Total Tax Expenses</b>		<b>407.90</b>	<b>365.51</b>
VII. Profit for the year (V-VI)		<b>1,148.54</b>	<b>1,021.49</b>
VIII. Other Comprehensive income			
A) (i) Items that will not be reclassified subsequently to statement of profit and loss		(7.80)	4.38
(ii) Income tax relating to items that will not be reclassified subsequently to statement of profit and loss		-	-
B) (i) Items that will be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will be reclassified subsequently to statement of profit and loss		-	-
IX. Total comprehensive income for the period		1,140.73	1,025.87
X. Earnings per share (of Rs.10/- each)	29		
a) Basic		7.55	6.79
b) Diluted		7.55	6.79
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For RAO & KUMAR  
Chartered Accountants  
Firm Reg.No.003089S

CA C M RAVI PRASAD  
Partner  
Membership NO.211322  
UDIN:24211322BKBUJM9936  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA  
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA  
MANAGING DIRECTOR

N RAMU  
CHIEF FINANCIAL OFFICER

M SRIVIDYA  
COMPANY SECRETARY



### Statement of Changes in Equity

#### Equity Share Capital

Amount Rs.in Lakhs

Equity Shares of Rs.10/- issued, subscribed and fully paid up	
Balance as on 01 April, 2022	1,510.71
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the previous reporting year	1,510.71
Changes in Equity Share Capital during the year	-
Balance as at 31 March, 2023	1,510.71
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the current reporting year	1,510.71
Changes in Equity Share Capital during the year	-
Balance as at 31 March, 2024	1,510.71

#### Other Equity

(Rs. In Lakhs)

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2022	1,044.48	1,215.09	5,197.16	7,456.72
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	1,044.48	1,215.09	5,197.16	7,456.72
Profit for the year	-	-	1,021.49	1,021.49
Other comprehensive Income for the year	-	-	4.38	4.38
Transsser to General Reserve	-	102.15	(102.15)	-
Dividend Paid	-	-	(453.21)	(453.21)
Balance as at March 31, 2023	1,044.48	1,317.23	5,667.66	8,029.37

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2023	1,044.48	1,317.23	5,667.66	8,029.37
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	1,044.48	1,317.23	5,667.66	8,029.37
Profit for the year	-	-	1,148.54	1,148.54
Other comprehensive Income for the year	-	-	(7.80)	(7.80)
Transsser to General Reserve	-	114.85	(114.85)	-
Dividend Paid	-	-	(453.21)	(453.21)
Balance as at March 31, 2024	1,044.48	1,432.09	6,240.33	8,716.89

For RAO & KUMAR  
Chartered Accountants  
Firm Reg.No.003089S

For STEEL CITY SECURITIES LIMITED

CA C M RAVI PRASAD  
Partner  
Membership NO.211322  
UDIN:24211322BKBUJM9936  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

K SATYANARAYANA  
EXECUTIVE CHAIRMAN  
  
N RAMU  
CHIEF FINANCIAL OFFICER

SATISH KUMAR ARYA  
MANAGING DIRECTOR  
  
M SRIVIDYA  
COMPANY SECRETARY





### STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2024

	As at 31-Mar-24 Rs. In lakhs	As at 31-Mar-23 Rs. In lakhs
<b>A. Cash flow from Operating Activities</b>		
Net Profit Before Tax	1,556.44	1,386.99
Adjustment for:		
Depreciation and amortization expense	102.13	71.45
Finance Costs	60.42	58.35
Interest Income	(345.03)	(305.32)
Dividend Income	(4.22)	(3.36)
(Profit)/Loss on Sale of Fixed Assets	(24.74)	(9.71)
Impairment of Financial Instruments	(10.16)	(21.07)
Diminution in value of Investments	-	-
<b>Operating Profit before Working Capital Changes</b>	1,334.84	1,177.32
Trade Receivables	(1,064.56)	1,407.51
Other Receivables	(3,483.07)	476.11
Other Assets	275.01	(508.11)
Trade Payables	1,506.76	128.63
Other Payables & Provisions	(27.10)	(682.40)
<b>Change in Working Capital</b>	(2,792.96)	821.72
<b>Cash generated from / (used in) Operations</b>	(1,458.12)	1,999.05
Income tax paid	(407.90)	(365.51)
<b>Net Cash generated from / (used in) Operating Activities</b>	(1,866.02)	1,633.54
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(39.25)	(597.27)
Proceeds from Sale of Fixed Assets	34.61	9.71
Proceeds from Sale/(purchase) of Investments	(211.20)	-
Income from Investments	4.22	3.36
Interest Received	345.03	305.32
<b>Net cash generated from/ (used in) investing activities</b>	133.42	(278.88)
<b>C. Cash flow from Financing Activities</b>		
Interest paid	(60.42)	(58.35)
Proceeds from borrowings	-	-
Repayment of borrowings	430.48	(5.63)
Dividend paid	(453.21)	(453.21)
<b>Net cash generated from / (used in) Financing activities</b>	(83.16)	(517.20)
<b>D. Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	(1,815.76)	837.46
<b>E. Cash &amp; Cash Equivalents (Opening)</b>		
as on 1st April 2023 / 1st April 2022	2,303.26	1,465.80
<b>F. Cash &amp; Cash Equivalents (Closing)</b>	487.50	2,303.26
<b>Reconciliation of Cash and Cash Equivalents with the Balance Sheet:</b>		
Cash in hand	13.24	11.69
Cheques, draft on hand	11.42	27.19
Balances with Schedule banks in current accounts	462.83	2,264.38

For RAO & KUMAR  
Chartered Accountants  
Firm Reg.No.003089S

For STEEL CITY SECURITIES LIMITED

CA C M RAVI PRASAD  
Partner  
Membership NO.211322  
UDIN:24211322BKBUJM9936  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

K SATYANARAYANA  
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA  
MANAGING DIRECTOR

N RAMU  
CHIEF FINANCIAL OFFICER

M SRIVIDYA  
COMPANY SECRETARY



### Note No.1 : Company Over View

Steel City Securities Limited ("the Company") was incorporated on 22<sup>nd</sup> February 1995. The Company is primarily engaged in the business as stock broker in securities trading in various stock exchanges and acting as a depository participant. The Company also offers Services of E-Governance. The Shares of the Company are listed on National Stock Exchange of India Limited (NSE). The company's registered office is at "Steel City Heights", 50-81-18, Main Road, Seethampapeta, Visakhapatnam-530016, Andhra Pradesh, India.

### Note No.2 : Significant Accounting Policies

#### a Basis of Preparation, Presentation of financial statements and Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

#### b Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

#### c Basis for measurement

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following material items which have been measured at fair value:

Items	Measurement Basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Investments	Quoted price
Trade Receivables	Fair Value

#### d Use of Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### Assumptions and estimation uncertainties

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:



**a) Income taxes:**

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

**b) Deferred taxes:**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforward becomes deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**c) Defined benefit plans and compensated absences**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**d) Expected credit losses on financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

**e) Measurement of fair values**

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair Value of planned assets less present value of defined benefit obligation



**f) Revenue Recognition**

**i. Operating Income**

Income from Trading Operations, which comprises of Brokerage is accounted for up to the date of last settlement in the reporting period and TINFC's Operations are accounted on transaction basis.

**ii. Interest Income**

Revenue is recognized on a time proportion basis taking into account the amount of deposit and a rate applicable

**iii. Dividend Income**

Revenue is recognized when the shareholders right to receive payment is established by the balance sheet date.

**g) Expenses**

Expenses are accounted on accrual basis and Provisions made for all known liabilities and losses on available information.

Trading losses arising out of communication & computer disruptions and other operational reasons are treated as trading expenses

**h) Operating Leases**

Assets given/taken on lease in which a significant portion of risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the statement of Profit and loss on a straight line basis over the period of lease unless the payments/receipts are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

**i) Property, Plant and Equipment (including intangible assets)**

**i. Recognition and measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

**ii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

**iii. Depreciation/ Amortization**

Depreciation has been charged off under useful life Straight Line Method as per Schedule II to the Companies Act 2013.



The estimated useful lives used for computation of depreciation are as follows

Buildings	60 years
Furniture & Fixtures	10 years
Electrical Equipment	10 years
Computers	3-6 years
Vehicles	8 years
Cycles	10 years
Other Assets	5 years
Software	3 years

### j) Financial Instruments

#### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is 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 FVTPL) are added to or deducted from the fair value of the financial assets and liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and loss.

#### ii. Classification and subsequent measurement

##### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL (Fair value through Profit and Loss)
- FVOCI (Fair value through Other Comprehensive Income)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- 'the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.



'On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

#### **Financial assets at FVTPL:**

- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

#### **Debt investments at FVOCI:**

- These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss
- Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### **Equity investments at FVOCI:**

- These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment
- Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

#### **Financial assets at amortised cost:**

- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

#### **Financial liabilities:**

'Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

### **iii. Derecognition**

#### **Financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

#### **Financial liabilities:**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.



The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### Impairment

#### i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation: or
- the disappearance of an active market for a security because of financial difficulties

Except for debts due from Central/State Governments, Central/State Government Departments and Central/State Autonomous Bodies, Public Sector Undertakings for which provision/loss allowances are measured on case to case basis.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

No of Days of Due as per the observed credit pattern followed by the Company	% of default as observed by the management for DP Trade Receivables	% of Default as Observed by the Management for securities trade Receivables
Not due	0.00%	0.00%
0 - 90 days		
0 - 90 days	10.00%	10.00%
91 - 180 days		
91 - 180 days	10.00%	10.00%
181 - 365 days		
181 - 365 days	10.00%	10.00%
>365 days		
365 days	80.00%	45%

Uncollectible

The Above % of default rates for the Debtors due till 365 days is taken on the basis of Historical default rates.

The % of default rates for the Debtors due for more than 365 days is taken on the basis of management judgement

#### ii. Impairment of non financial assets

The Company's non-financial assets, other than other tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

**k) Investments in Subsidiaries and Associates**

The Company has elected to measure equity investments in Subsidiaries and Associates at cost as per Ind As-28

**l) Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

**m) Income taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognised in the respective line items.

**Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred Tax**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred Tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantially enacted by the Balance Sheet Date. Deferred Tax Asset are reviewed at each Balance Sheet date for their realisability.

**n) Investments**

- (i) Investments that are intended to be held for more than a year are classified as Long-term Investments. All other investments are classified as current investments.
- (ii) Long-term investments are carried at cost, unless there is diminution other than temporary in their value.
- (iii) Current Investments are valued at lower of cost or market value.





**o) Retirement Benefits**

- i. The Company's contribution to Provident Fund is recognized on accrual basis.
- ii. In accordance with applicable Indian laws, the Company provides for gratuity a defined benefit retirement plan (Gratuity plan) covering all employees. The Gratuity plans provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. The Company has an employees' gratuity fund managed by LIC of India.
- iii. Leave encashment liability is provided on the basis of actual valuation made by the management at the end of each calendar year.

**p) Borrowing Cost**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of an asset which necessarily takes a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**q) Provisions and Contingencies**

Provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent Liabilities are disclosed in the notes. Contingent Assets are not recognised in the financial statements.

**r) Earnings per Share**

The Basic earnings per share is computed by dividing the net profit / loss attributable to the Equity Shareholders for the year by the weighted average no of equity shares outstanding during the reporting year.

For the purpose of calculating diluted earnings per share the net profit/loss for the year attributable to equity shareholders and weighted average no of shares outstanding during the reporting year is adjusted for the effect of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or antidilutive, each issue of series of potential equity shares is considered separately rather than aggregate.

**s) Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- a. changes during the period in operating receivables and payables transactions of a cash nature;
- b. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- c. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**t) Dividend payable**

Dividend is recognised at the time of payment to equity shareholders.

**u) Prior Period omissions & errors**

Income/Expenditure relating to earlier years which does not exceeds 0.50% of the turnover of the Company in each transactions are treated as income/expenditure of the current year.



**Note No.3 : Property plant and equipment**

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land	182.67	-	-	182.67	-	-	-	-	-	182.67	182.67
Buildings	664.36	-	12.90	651.46	19.22	60 Yrs	10.89	3.29	26.81	624.65	645.14
Furniture & Fixtures	237.91	8.05	1.08	244.88	34.11	10 Yrs	24.37	0.81	57.67	187.21	203.80
Electrical Equipments	226.11	3.90	10.37	219.64	84.71	10 Yrs	22.33	10.37	96.67	122.97	141.41
Computers	109.21	23.51	102.35	30.38	75.28	3-6 Yrs	20.77	102.35	(6.30)	36.67	33.94
Vehicles	104.99	-	10.91	94.08	42.55	8 Yrs	12.35	10.91	43.99	50.09	62.44
Cycles	0.05	-	-	0.05	0.03	10 Yrs	0.00	-	0.03	0.02	0.02
Other Assets	6.16	0.79	0.68	6.27	2.14	5 Yrs	1.22	0.68	2.68	3.59	4.02
<b>Total</b>	<b>1,531.46</b>	<b>36.25</b>	<b>138.29</b>	<b>1,429.42</b>	<b>258.03</b>		<b>91.94</b>	<b>128.41</b>	<b>221.56</b>	<b>1,207.87</b>	<b>1,273.43</b>

**Note No.3(i) : Capital work-in-Progress**

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Buildings WIP	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CWIP aging schedule**

CWIP	Amount in CWIP for a period of			Total
	Less than One Year	1-2 Years	2-3 Years	
Projects in Progress	-	-	-	-
Projects temporarily suspended	-	-	-	-

**Note No.4 : Intangible Assets**

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Software	29.88	3.00	-	32.88	6.34	3 Yrs	10.19	-	16.53	16.35	23.54
<b>Total</b>	<b>29.88</b>	<b>3.00</b>	<b>-</b>	<b>32.88</b>	<b>6.34</b>		<b>10.19</b>	<b>-</b>	<b>16.53</b>	<b>16.35</b>	<b>23.54</b>

Note: There was no change in the useful life of the Assets on our review at the reporting date.



	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.5</b>		
<b>Deferred tax Asset (net)</b>		
Tax effect of items constituting deferred tax Liability		
- Provision for Doubtful Debts	-	-
Tax effect of items constituting deferred tax Liability (A)	-	-
Tax effect of items constituting deferred tax Asset		
- Depreciation on fixed assets	4.52	12.72
- Provision for Debts	190.06	192.61
- Impairment of Investments	-	-
Tax effect of items constituting deferred tax Asset (B)	194.58	205.34
Deferred Tax Asset (net) (B-A)	194.58	205.34
Deferred Tax Asset is computed, taking into consideration that there would be adequate profits in future years to be adjusted		

<b>Reconciliation of Estimated Tax expense at tax rate to Income Tax Expense reported in the Statement of Profit &amp; Loss</b>		
Profit before Tax	1,556.44	1,386.99
Applicable Income Tax Rate	25.168%	25.168%
Expected Income Tax Expense	391.72	349.08
Effect of Income exempt from tax	-	0.85
Effect of expenses / provisions not deductible in determining taxable profit	5.71	8.61
Adjustment related to tax of prior years	10.47	6.97
Reported Income Tax Expense	<b>407.90</b>	<b>365.51</b>

<b>Note No.6</b>		
<b>Non Current Investments</b>		
<b>Other investments (unquoted) -Trade</b>		
<b>Investment in Equity Instruments</b>		
<b>Subsidiary:</b>		
10,00,000(PY 10,00,000) equity shares of Rs.10/- each of Steel City Commodities Pvt Ltd at cost	554.89	554.89
<b>Associate:</b>		
1920000 (PY 960000) equity shares of Rs.10/- each of Steel City Financial Services Pvt Ltd at cost	340.20	129.00
<b>Other investments (unquoted) - Non-Trade</b>		
2,500 (PY 2500) equity shares of Rs.10/- each of Steel City Infotech Pvt Ltd	0.25	0.25
	895.34	684.14
Provision for Diminution in value of Investments	895.34	684.14
Book Value of Unquoted Investments	895.34	684.14



	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.7</b>		
<b>Long term Loans and Advances</b>		
Unsecured, considered good		
Others	150.00	150.00
	<b>150.00</b>	<b>150.00</b>

	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.8</b>		
<b>Other Non-Current Assets</b>		
Unsecured, considered good		
Interest free Security Deposits with Exchanges	289.50	963.31
V Sat Deposits with Exchanges	0.50	0.50
Telephone Deposits	8.15	8.33
Rental Deposits	51.16	58.45
Electricity Deposits	13.87	10.80
Other Deposits	53.64	42.14
	<b>416.81</b>	<b>1,083.53</b>

	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.9</b>		
<b>Trade Receivables</b>		
Trade Receivables Unsecured, considered good	2,942.07	1,847.99
Less: Provision for Debts	675.03	685.19
	2,267.04	1,162.81
Trade Receivables Secured, considered good	3,161.09	3,190.61
	<b>5,428.14</b>	<b>4,353.42</b>

### Trade Receivables Ageing Schedule for the year Ended March 31, 2024

	Outstanding for following periods from due date of payment					(Rs.in Lakhs)
	Less than 6 months	6 months- 12 months	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	4,846.11	248.68	13.93	379.76	614.69	6,103.17
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
Less: Provision for debts						675.03
<b>Total Trade Receivable</b>						<b>5,428.14</b>



Trade Receivables Ageing Schedule for the year Ended March 31, 2023						
	Outstanding for following periods from due date of payment					(Rs.in Lakhs)
	Less than 6 months	6 months-12 months	1-2 Years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - Considered good	3,634.22	375.93	402.83	1.50	624.12	5,038.61
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
Less: Provision for debts						685.19
<b>Total Trade Receivable</b>						<b>4,353.42</b>

	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.10</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	13.24	11.69
Cheques, drafts on hand and transit	11.42	27.19
Balances with Banks		
- in current accounts	462.83	2,264.38
	<b>487.50</b>	<b>2,303.26</b>

	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.11</b>		
<b>Bank Balances Other Than Cash And Cash Equivalent</b>		
Unclaimed dividend account (Earmarked)	20.11	19.49
Against Bank Guarantees & other commitments (Earmarked)	5,202.90	5,239.28
Deposit original maturity less than 12 months	132.39	478.59
Interest accrued on Fixed Deposits with Banks	174.00	141.62
	<b>5,529.40</b>	<b>5,878.97</b>

- a) Deposit accounts includes an amount of Rs.2529 Lakhs placed with banks (HDFC Bank Rs.2379 Lakhs and Karur vysya bank Rs. 150 Lakhs ) pledged against the bank guarantees issued and loan provided by them.
- b) Section 125 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.



	As at 31-Mar-24 Rs. in lakhs	As at 31-Mar-23 Rs. in lakhs
<b>Note No.12</b>		
<b>Short-term loans and advances</b>		
Unsecured, considered good		
Advance to suppliers	0.01	-
Other loans and advances		
Receivable from E-Governance Centres	151.83	116.35
Receivable from Authorised Persons/Dp Franchises	20.78	13.32
Others	15.63	17.26
	<b>188.25</b>	<b>146.93</b>
<b>Note No.13</b>		
<b>Other Financial Assets - Current</b>		
Unsecured, considered good		
Margins with Clearing Corporations	4,119.22	-
	<b>4,119.22</b>	<b>-</b>
<b>Note No.14</b>		
<b>Other Current Assets</b>		
Other Receivables	185.80	114.16
Advance Income Tax	352.01	333.06
Prepaid expenses	58.25	74.29
	<b>596.06</b>	<b>521.50</b>
<b>Note No.15</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
2,50,00,000 (PY 2,50,00,000) Equity Shares of Rupees 10/- each	2,500.00	2,500.00
Total	2,500.00	2,500.00
<b>Issued subscribed and paid up capital</b>		
1,51,07,095(PY 1,51,07,095) Equity Shares of Rupees 10/- each, fully paid-up	1,510.71	1,510.71
	<b>1,510.71</b>	<b>1,510.71</b>

Notes: (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Changes during the period	Closing Balance
Equity shares of Rs.10/- each:			
Period ended 31st March, 2024			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs. In lakhs	1,510.71	0	1,510.71
Period ended 31st March, 2023			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.in lakhs	1,510.71	0	1,510.71



**(i) Reconciliation of number of Shares :**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount (Rs.in lakhs)	No of Shares	Amount (Rs.in lakhs)
Equity shares				
Opening Balance	1,51,07,095	1,511	1,51,07,095	1,511
Issued during the period	0	-	0	-
Closing Balance	1,51,07,095	1,511	1,51,07,095	1,511

**(ii) Rights attached to equity shares:**

The company has only one class of Equity Shares having at par value of INR 10/- per share. Each equity holder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders except in case of interim Dividend During the Year , the per share interim dividend paid to equity shareholders was Rs. 2.00 (previous year Rs.2.00) and final Dividend for FY 2022-2023 paid to equity shareholders is Rs.1.00 (previous year Rs.1.00) In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders

**(iii) List of shareholders holding more than 5% of the total number of shares issued by the Company:**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares held	% of Holding	No of Shares held	% of Holding
K.Satyanarayana	12,54,446	8.30	12,54,446	8.30
Satish Kumar Arya	16,41,209	10.86	13,68,500	9.06
G Vishnu Vandhana	25,75,500	17.05	25,75,500	17.05
G Sirisha	24,43,731	16.18	24,43,731	16.18

(iv) There are no shares bought back by the Company during the period of Five Years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/preference shares or employee stock option issued by the Company.

**(v) Shares held by Promoters at the end of the year**

Promoter Name	No of Shares	% of total shares	% of Change during the year
K.Satyanarayana	12,54,446	8.30%	-
Satish Kumar Arya	16,41,209	10.86%	1.29
G Vishnu Vandana	25,75,500	17.05%	-
G Sirisha	24,43,731	16.18%	-

Promoters Group:	No of Shares	% of total shares	% of Change during the year
Steel City Financial Services Private Limited	500000	3.31%	0.00
K. Mahalakshmi	74809	0.50%	0.01
K. V. S. Ramesh Babu	507500	3.36%	0.00
Nirmala Devi	233209	1.54%	0.22
Sachin Arya	900009	5.96%	1.18
K. Geeta Vara Lakshmi	15000	0.10%	0.00
K. Mrudula	65000	0.43%	0.00
Alka Rajput	76409	0.51%	0.00
Suman Arya	19825	0.13%	0.10
Tentu Venkata Triveni	242428	1.60%	0.00
Pyla Madhu	51300	0.34%	0.00
K Rajkumar	2600	0.02%	0.00



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.16</b>		
<b>Provisions-non-current</b>		
Provision for Employee benefits		
- provision for gratuity	23.59	7.38
	<b>23.59</b>	<b>7.38</b>

Vehicle Loan Received from Financial Institutions, which is payable in monthly installments i.e.Rs. 0

<b>Note No.17</b>		
<b>Short-term borrowings</b>		
Secured		
Loan repayable on demand from banks	433.28	-
Vehicle Loans from Banks & Others	-	2.80
Unsecured	-	-
Total	<b>433.28</b>	<b>2.80</b>

- Working Capital facilities from ICICI Bank Ltd is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors
- Working Capital facilities from Karur Vysya Bank is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors and Properties belonging to Directors/others aggregated of Rs.893 Lakhs.
- Working Capital facilities from The HDFC Bank Ltd is secured by hypothecation of Trade Receivables (50%), personal guarantee of Directors

<b>Note No.18</b>		
<b>Trade payables</b>		
Trade Payables including margin money from trade clients - MSME	-	-
Trade Payables including margin money from trade clients	6,654.52	5,147.77
	<b>6,654.52</b>	<b>5,147.77</b>

In order to secure the performance by the clients of their obligations, commitments & liabilities to the company they placed the margins with the Company

**Trade Payables due for payment**  
**Trade Payables Aging Schedule**  
as at March 31, 2024

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.in Lakhs)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	6,654.52	-	-	-	6,654.52
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

**as at March 31, 2023**

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.in Lakhs)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	5,147.77	-	-	-	5,147.77
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-





	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.19</b>		
<b>Other Financial Liabilities - Current</b>		
Margin money from E-Governance Centres	698.64	710.81
Unclaimed dividends	20.11	19.49
	<b>718.75</b>	<b>730.30</b>

- a) Unclaimed dividends includes an amount of Rs.1.68 Lakhs due and outstanding to be credited to investor education and protection funds. But, due to technical glitches in the MCA website the remittance could not be made with in the due date i.e. 23/03/2023. However, the Company has filed form No.IEPF-1 with in the due date. The delay in remittance is due to the conditions beyond the control of the Company.
- b) During the Year, an amount of Rs.0.00 has been transferred to Investor Education and Protection Fund

<b>Note No.20</b>		
<b>Other Current Liabilities</b>		
Liability for expenses, Authorised Persons/franchises	785.10	848.73
	<b>785.10</b>	<b>848.73</b>

- a) There is no interest payable on Vsat Deposits taken from Franchises and the same was paid to Vsat Providers for purchase of VSATs

<b>Note No.21</b>		
<b>Short term provisions</b>		
Provision for Taxation	386.68	347.00
	<b>386.68</b>	<b>347.00</b>

Provision is made for gratuity based on actuarial valuation. All actuarial gains and losses arising during the year are recognized in the Profit and Loss Account for the year

<b>Note No.22</b>		
<b>Revenue from Operations</b>		
Income from Broking Operations	2,757.59	2,508.37
Income from DP Operations	259.30	178.55
Income from E-Governance Operations	2,402.47	2,282.68
Interest from Margin Trading Operations	486.62	481.50
	<b>5,905.97</b>	<b>5,451.10</b>

<b>Note No.23</b>		
<b>Other Income</b>		
Interest from Fixed Deposits & Others	345.03	305.32
Bad Debts Recoveries	-	-
Dividend Income	4.22	3.36
	<b>349.26</b>	<b>308.68</b>



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.24</b>		
<b>Expenditure on Trading Operations</b>		
Transaction Charges	86.82	38.78
Trading Expenses	2.58	2.49
Annual Subscription to Exchanges	1.00	1.00
Insurance	1.67	1.62
V Sat, Bandwidth Charges and Maintenance	8.66	20.50
Batteries, UPS Maintenance	10.98	26.73
	<b>111.71</b>	<b>91.12</b>

Trading Expenses are expenses on purchase and sale of shares wherever there was operational problems due to communication & computer disruptions, data entry operator's mistakes, share deliveries mismatch and other reasons, to come out of the long or short struck positions.

<b>Note No.25</b>		
<b>Impairment of Financial Instruments</b>		
Trade Receivables	(10.16)	(21.07)
Investments	-	-
	<b>(10.16)</b>	<b>(21.07)</b>

<b>Note No.26</b>		
<b>Employee benefits expense</b>		
Salaries, wages and bonus	1,177.53	1,113.21
Contribution to;		
- Provident Fund and other Funds	69.09	71.34
- Gratuity	15.79	15.92
Staff Welfare Expenses	9.42	14.89
	<b>1,271.82</b>	<b>1,215.36</b>

- a) Salaries, wages and bonus includes an amount of Rs. 111.00 Lakhs (PY Rs.96.000 Lakhs) paid to the Directors as Remuneration as per Schedule V of the Companies Act, 2013
- b) Provident Fund : Company pays fixed contribution to Provident Fund at predetermined rates to the EPF fund maintained by Employees' Provident Fund Organisation, Government of India. Company obligation is limited to payment of contribution at the pre determined rates. The settlement to the employees shall be made by the EPF organisation.
- c) Gratuity: Payable to employees, who render continuous service of 5 years or more, on separation, @15 days of last drawn pay of each completed year of service.
- d) Leave encashment: Leave encashment amount is paid to the employees at the end of the each calendar year.

<b>Note No.27</b>		
<b>Finance Cost</b>		
Interest Expenses	24.87	15.24
BG Commission and Charges	35.49	42.67
Other Borrowings cost	0.06	0.44
	<b>60.42</b>	<b>58.35</b>



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.28</b>		
<b>Other Expenses</b>		
A C Maintenance	2.59	3.51
Advertisements	1.12	-
Bad Debts Written off	-	-
Bank Charges & Payment Gateway Charges	16.58	17.14
Books & Periodicals	2.26	2.57
Business Development	71.49	51.87
Computer and software maintenance	190.43	136.36
Conveyance	3.36	3.57
CSR Expenses	29.53	27.09
Current Repairs to lease hold buildings	-	8.21
Demat charges	-	-
Donations	0.75	1.94
E-Governance Commission	1,576.93	1,467.83
Electricity Charges and maintenance	65.25	73.11
Fee to Company Secretary	1.26	1.26
Fees & Charges, Filing fee	30.27	38.92
Generator maintenance	1.96	3.17
Insurance	28.83	21.01
Legal, Consultancy and Professional fee	22.31	23.54
Office Maintenance	47.79	55.44
Office Rent	164.57	216.22
Payment to Auditors (Refer Note No.28.1)	16.26	15.78
Printing & Stationery, Postage and Other Charges	20.14	25.72
Sub-brokerage	785.59	682.10
Subscriptions	9.08	7.65
Telephone and Internet Charges & Maintenance	45.37	41.30
Tours and Travels	8.51	9.99
Transportation charges	1.51	2.53
Vehicle maintenance	17.96	18.91
Xerox and coolers maintenance	1.16	0.83
	<b>3,162.87</b>	<b>2,957.57</b>
<b>Note No.28.1</b>		
Payment to Auditors includes payments to Statutory Auditors towards Statutory Audit Fee	3.00	3.00
Taxation Matters	-	-
Certifications	-	-
	<b>3.00</b>	<b>3.00</b>
<b>Note No.29</b>		
<b>Earnings per share (EPS)</b>		
Earnings (as reported)	1,140.73	1,025.87
Shares		
No. of Shares	1,51,07,095.00	1,51,07,095.00
No. of Weighted Average Shares	1,51,07,095.00	1,51,07,095.00
<b>Earnings per Equity Share (Rs.)</b>		
- Basic	7.55	6.79
- Diluted	7.55	6.79



### Note No.30

Contingent Liabilities and commitments (to the extent not provided for) (Rupees in Lakhs):

Sl no.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Bank Guarantees in favour of Clearing Corporations of Stock Exchanges issued by Banks on behalf of the Company against 50% of Cash Margin i. e . Fixed Deposit Receipts	4,550.00	5,295.00
2	Cases against the Company not acknowledged as debts (See Note No. 30.1(a))	19.82	19.82
3	Income tax Demands pending in appeals (See Note No. 30.1(b))	-	3.78
4	Show cause notices from Service tax department for which the Company has filed replies	115.29	115.29
5	Service tax demands, pending in appeal (See Note No. 30.1(c))	539.77	539.77

### 30.1

- (a) Demands against the Company not acknowledged as debts, amounting to Rs.19.82 Lakhs are pending at various courts/forums
- (b) During the Financial Year 2023-2024, the Appeal has been disposed off by giving complete relief to the Company and a consequential order also has been passed giving effect to the appellate order.
- (c) Service tax demands against the Company;
  - (i) The Company has deposited an amount of Rs. Rs.13.49 Lakhs as a condition precedent of hearing the appeal before The Commissioner (Appeals) in case of order dated 09.01.2017. However the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commission (Appeals) before CESTAT by depositing additional Pre-deposit of Rs.4.50 Lakhs on 01.08.2018

### Note No.31

Provision for Taxation has been made after taking into account, the difference between depreciation in the accounts and the depreciation allowable as per the Income Tax Act, 1961 and other deductions / additions allowable/disallowable under the Income Tax Act, 1961.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section.

### Note No.32

Related party disclosures:

Nature of Relationship	Name of the Party
(a) Related Parties where Control Exists: Subsidiaries Group Companies	Steel City Commodities Private Limited Steel City Financial Services Private Limited
(b) Other related Parties: Key Management Personnel	Mr. K. Satyanarayana Mr. Satish Kumar Arya Mr. T.V. Srikanth



**(c) Significant transaction with related parties: (Rs.in Lakhs)**

Sl. No.	Nature of Relationship	Name of the Related Party	Nature of Transaction					Dividend Paid / (received)	Brokerage Received
			Remuneration	Corporate guarantee given	Advance paid	Advance Taken			
1	Subsidiary Company	Steel City Commodities Private Ltd.	0.00	0.00	14.25	14.25	0.00	0.00	
2	Associate Company	Steel City Financial Services Private Ltd.	0.00	0.00	0.00	0.00	15.00 / (3.84)	0.00	
3	Executive Chairman	K. Satyanarayana	42.00	0.00	0.00	0.00	37.63	0.57	
4	Managing Director	Satish Kumar Arya	42.00	0.00	0.00	0.00	47.00	6.13	
5	Director-IT	T V Srikanth	27.00	0.00	0.00	0.00	0.00	0.00	
6	Director	G Vishnu Vandana	0.00	0.00	0.00	0.00	77.27	0.00	
7	Relative of Key Management - Wife of Sri K Satyanarayana	K. Mahalakshmi	0.00	0.00	0.00	0.00	2.19	0.20	
8	Relative of Key Management - Son of Sri K Satyanarayana	K S V Ramesh Babu	11.59	0.00	0.00	0.00	15.23	0.07	
9	Relative of Key Management - Wife of Sri Satish Kumar Arya	Nirmala Devi Arya	0.00	0.00	0.00	0.00	6.54	0.05	
10	Relative of Key Management - Son of Sri Satish Kumar Arya	Sachin Arya	0.00	0.00	0.00	0.00	26.48	0.21	
11	Relative of Key Management - Wife of Sri T V Srikanth	G. Sirisha	0.00	0.00	0.00	0.00	73.31	0.07	
12	Relative of Key Management - Husband of Smt. G. Vishnu Vandana	P. Madhu	27.00	0.00	0.00	0.00	1.54	0.00	
	Total		149.59	0.00	14.25	14.25	302.19/(3.84)	7.31	

**Note:** Transactions between group companies comprise of extension and return of temporary adjustment of common clients accounts as identified by the Company's management from the Holding/Subsidiary Company's Account:

**(d) Amount Due to / (from) related Parties (Rs.in lakhs)**

Nature of Transaction	Due to / ( From)
Steel City Commodities Private Limited	(150.00)
Steel City Financial Services Private Limited	-
K Satyanarayana	-
Satish Kumar Arya	-
T V Srikanth	-



### Note No.33

#### Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees, which is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the financial statements:

#### A. Financial Assumptions

Particulars	31.03.2023	31.03.2024
Discount rate for Active Employees	7.52%	7.22%
Discount rate for pensioners	-	-
Salary growth rate	5.00%	5.00%
Expected rate of return on plan Assets	7.01%	7.67%

#### B. Demographic Assumptions

Particulars	31.03.2023	31.03.2024
Withdrawal Rate	3.00%	3.00%
Retirement Age	60 years	60 years

#### C. Mortality rates - Indian assured lives mortality 2012-14 table

(Mortality per thousand)

Age in years	31.03.2023	31.03.2024
20	0.000924	0.000924
25	0.000931	0.000931
30	0.000977	0.000977
35	0.001202	0.001202
40	0.00168	0.00168
45	0.002579	0.002579
50	0.004436	0.004436
55	0.007513	0.007513
60	0.011162	0.011162
65	0.015932	0.015932
70	0.024058	0.024058

#### D. Reconciliation of defined benefit obligation (Rs. In Lakhs)

Particulars	31.03.2023	31.03.2024
Opening defined benefit	144.67	154.27
Service Cost	-	-
a. Current service cost	14.03	14.37
b. Past service cost	-	-
c. (Gain) / Loss on settlements	-	-
d. Loss/ (Gain) on Curtailments	-	-
Interest Cost	10.27	11.31
Benefit Payments from Plan Assets	(10.60)	(13.35)
Benefit Payments directly by Employer	-	-
Contributions by Employees/Participants	-	-
Effects of Acquisition/Merger	-	-



Settlements	-	-
Transfers In /Out	-	-
Actuarial Loss/ (Gain)	(4.11)	7.86
Exchange Differences on Foreign plans	-	-
Closing defined benefit obligations	154.27	174.46

### E. Profit or loss for the current period (Rs.in Lakhs)

Particulars	31.03.2023	31.03.2024
Current service cost	14.03	14.37
Recognised past service cost	-	-
Loss / (Gain) on curtailments and Settlements	-	-
Total service cost	14.03	14.37
Interest on obligation	10.27	11.31
Expected return on plan assets	(9.33)	(11.05)
Net interest cost	0.95	0.26
Total included in employee benefit expense	14.98	14.63

### F. Effects recognised in Other comprehensive income (Rs. In Lakhs)

Particulars	31.03.2023	31.03.2024
Actuarial (gain) or loss due to demographic assumptions change	-	-
Actuarial (gain) or loss due to financial assumption changes in DBO	(3.89)	4.56
Actuarial (gain) or loss due to experience in DBO	(0.22)	3.30
Return on Plan assets (grater) or less than the expected return	(0.27)	(0.05)
Changes in Asset Ceiling	-	-
Any other Effect	-	-
Net Actuarial Loss or (Gain) for the year	(4.38)	7.80

### Note No.34

#### Corporate Social Responsibility

- Gross Amount required to be spent by the Company during the year Rs.29.53 Lakhs
- Total Amount spent during the year is Rs.29.53 Lakhs as detailed below:

Particulars	Amount (Rs.in Lakhs)
Amount Contributed to Snehasandha Age Care Foundation, Visakhapatnam	10.00
Amount Contributed to Prime Minister National Relief Fund	1.53
Amount Contributed to Harekrishna Movement-India, Visakhapatnam	7.00
Amount Contributed to East Point Golf Club, Visakhapatnam	10.00
Shri Sharadamba Vidyapeeth Trust, Rishikesh	1.00
<b>Total</b>	<b>29.53</b>



### Note No.35

#### Segment Reporting

##### 1. Business Segment:

- (i) The business segment has been considered as the primary segment.
- (ii) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system
- (iii) The Company's primary business comprises of two business segments viz., Stock Broking & DP Operations and E-Governance Operations
- (iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
- (v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information

#### Information about the primary segment

(RS.in Lakhs)

Particulars	Stock Broking & DP Operations	E-Governance Operations	Grand Total
<b>A. Segment Revenue</b>			
External Segment	3,852.76	2,402.47	6,255.23
Internal Segment	-	-	-
Total Revenue	<b>3,852.76</b>	<b>2,402.47</b>	<b>6,255.23</b>
<b>B. Segment Results Profit/(Loss)</b>	<b>1,011.95</b>	<b>646.62</b>	<b>1,658.57</b>
Depreciation			(102.13)
Income Taxes (Current, Deferred Tax)			(407.90)
Other Comprehensive Income			(7.80)
Profit/(Loss) After Tax			1,140.73
<b>C. Segment Assets</b>	17,870.02	1,359.50	19,229.52
<b>D. Segment Liabilities</b>	8,189.45	812.47	9,001.92
<b>E. Capital Expenditure</b>	34.54	4.71	39.25
<b>F. Depreciation</b>	89.66	12.47	102.13

##### 2. Geographical Segment

Further the Company has no geographical segments which are subject to different risk and returns. Hence, no separate disclosure in terms of Indian Accounting Standard 108 on segment reporting is considered necessary.





### Note No.36

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Numerator	Denominator	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	Variance
1. Current Ratio	Current Assets	Current Liabilities	1.82	1.87	(2.41)
2. Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.04	0.00	4,086.03
3. Debt Service Coverage Ratio	Earnings available for debt services (PBT+Interest+Dep+/- Non Cash Items)	Interest+Debt Principal Payment & Accrued	17.82	14.81	20.34
4. Return on Equity(ROE)	PAT	Shareholder's Equity	11.23	10.71	4.88
5. Inventory turnover ratio	Cost of Sales	Average Stock	NA	NA	NA
6. Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1.28	1.14	12.06
7. Trade payables turnover ratio	purchase of services and other expenses	Average Trade Payables	0.78	0.85	(8.19)
8. Net capital turnover ratio	Revenue	Working Capital+ non current assets	58.55	60.31	(2.93)
9. Net Profit Ratio	Net Profit	Revenue	18.36	17.73	3.53
10. Return on Capital employed	earning before interest and taxes	capital employed	15.81	15.15	4.35
11. Return on investment	Income from Investments	Time weighted Average Investments	0.47	0.49	(3.93)

**NOTE:** The turnover ratios are calculated considering the company's nature of industry which is service-oriented.

**Explanations for change in the ratio by more than 25% as compared to the ratio of preceding year:**

The change in the Debt-Equity ratio is due to increase in the debt and overall increase in Other equity.

The decrease in Debt-service coverage ratio is due to the decrease in the amounts of loan repayments during the year.

The change in Return on Equity (ROE) is due to the increase in the profit for the year and overall increase in Other Equity.

The change in Return on Capital employed is due to the increase in EBIT for the year and overall increase in Capital employed.

### Note No.37

Previous Period figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification/disclosures.

For RAO & KUMAR  
Chartered Accountants  
Firm Reg.No.003089S

CA C M RAVI PRASAD  
Partner  
Membership NO.211322  
UDIN:24211322BKBUJM9936  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA  
EXECUTIVE CHAIRMAN  
SATISH KUMAR ARYA  
MANAGING DIRECTOR  
N RAMU  
CHIEF FINANCIAL OFFICER  
M SRIVIDYA  
COMPANY SECRETARY



### INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

**The Members of STEEL CITY SECURITIES LIMITED.**

**Report on the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of STEEL CITY SECURITIES LIMITED ("the Holding Company"), its subsidiary i.e. Steel City Commodities Private Limited and its associate entity i.e. Steel City Financial Services Private Limited (the Holding Company, its subsidiary and its associate Company constitute 'the Group') which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2024, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2024, of consolidated profit, their consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

#### **Key Audit Matters**

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

#### **1. Evaluation of uncertain Tax Positions (Indirect Tax)**

The Company has material uncertain tax positions (Indirect Tax) including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.



### **Auditor's Responses**

#### **Principal Audit Procedures**

Obtained details of completed orders, Show-cause-notices and Demands as at 31<sup>st</sup> March, 2024 from the Management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

We have not come across any other matters to be considered as key matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, change in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that



were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 ability of the Group and its associates and jointly controlled entities 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 consolidated 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 Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

### Other Matters

- (a) We did not audit the financial statements / financial information of M/s.Steel City Commodities Private Limited subsidiary, whose financial statements / financial information reflect total assets of Rs. 1872.20 Lakhs as at 31<sup>st</sup> March, 2024, total revenues of Rs.99.50 Lakhs and net cash flows amounting to Rs.205.49 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs.52.02 Lakhs for the year ended 31<sup>st</sup> March, 2024, as considered in the consolidated financial statements, in respect of associate Company Steel City Financial Services Private Limited, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated statement of changes in equity and the Consolidated Cash Flow Statement



dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and its associate Company none of the directors of the Group is disqualified as on 31<sup>st</sup> March, 2024 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 and the operating effectiveness of such controls, refer to our report in “Annexure A”, which is based on the Auditors’ Reports of the Holding Company, its subsidiary companies and its associate Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and its associate Company incorporated in India.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The consolidated financial statements disclosed the impact of pending litigations on the Consolidated financial position of the Group in its Consolidated financial statements as of March 31, 2024 - Refer Note No.31
  - b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
  - d. (i) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e) Based on our examination which included test checks, performed by us on the Company and its subsidiaries incorporated in India, except for the instances mentioned below, have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.

The financial statements of two subsidiaries that are not material to the Consolidated Financial Statements of the Group, have not been audited under the provisions of the Act as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 in respect of these two subsidiaries.





# Steel City Securities Limited

## Annexure to Auditors Report on Consolidated Audit Report

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

**For RAO AND KUMAR**  
Chartered Accountants  
FRN:003089S

Place: VISAKHAPATNAM  
Date: 16-05-2024

**CA C M RAVI PRASAD**  
(Partner)  
Membership No. : 211322  
UDIN : 24211322BKBUJN5507



### **“Annexure A” to the Independent Auditor’s Report**

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

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

We have audited the internal financial controls over financial reporting of STEEL CITY SECURITIES LIMITED (“the Holding Company”) , its subsidiary i.e. Steel City Commodities Private Limited and its associate i.e. Steel City Financial Services Private Limited incorporated in India as of March 31, 2024 in conjunction with our audit of the Consolidated financial statements of the Holding Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary company and its associate Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Holding Company, its subsidiary company and its associate Company incorporated in India 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 (the ‘Guidance Note’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements of the Company and its subsidiary companies, which are companies incorporated in India.

## **Meaning of Internal Financial Controls Over Financial Reporting**

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

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary i.e. Steel City Commodities Private Limited and its associate i.e. Steel City Financial Services Private Limited incorporated in India has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

Place: VISAKHAPATNAM  
Date: 16-05-2024

**For RAO AND KUMAR**  
Chartered Accountants  
FRN:003089S

**CA C M RAVI PRASAD**  
(Partner)  
Membership No. : 211322  
UDIN : 24211322BKBUJN5507



### CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2024

Particulars	Note No	As at 31-Mar-24 Rs. In lakhs	As at 31-Mar-23 Rs. In lakhs
<b>I. ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property plant and equipment	3	2,021.78	2,081.02
(ii) Capital Work-in-progress	3(i)	409.77	409.77
(iii) Intangible Assets	4	16.35	23.54
(iv) Goodwill on Consolidation		454.89	454.89
(b) Deferred tax Asset (net)	5	211.98	224.81
(c) Financial Assets			
(i) Non Current Investments	6	629.55	620.32
(ii) Long term Loans and Advances		-	-
(iii) Other Financial assets	7	497.31	1,164.03
<b>2. Current Assets</b>			
(a) Financial Assets			
(i) Current Investments	8	23.35	11.54
(ii) Trade Receivables	9	5,428.14	4,365.40
(iii) Cash and Cash Equivalents	10	716.44	2,326.72
(iv) Bank Balances other than cash and cash Equivalents	11	5,554.40	5,904.16
(v) Short-term loans and advances	12	259.16	228.88
(vi) Other Financial Assets	13	4,119.22	-
(b) Other Current Assets	14	604.31	529.07
<b>Total</b>		<b>20,946.66</b>	<b>18,344.14</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	15	1,510.71	1,510.71
(b) Other Equity		10,326.39	9,643.92
<b>2. Non- Current Liabilities</b>			
(a) Financial Liabilities			
(i) Long-term borrowings	16	75.00	75.00
(b) Deferred tax liabilities (net)	5	-	-
(c) Provisions	17	23.59	7.38
<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Short-term borrowings	18	433.28	2.80
(ii) Trade Payables	19	6,654.52	5,147.77
(iii) Other Financial Liabilities	20	718.75	730.30
(b) Other Current Liabilities	21	810.34	873.25
(c) Short-term Provisions	22	394.08	353.02
<b>Total</b>		<b>20,946.66</b>	<b>18,344.14</b>
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

**For RAO & KUMAR**  
Chartered Accountants  
Firm Reg.No.003089S

**For STEEL CITY SECURITIES LIMITED**

**CA C M RAVI PRASAD**  
Partner  
Membership NO.211322  
UDIN : 24211322BKBUJN5507  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

**K SATYANARAYANA**  
EXECUTIVE CHAIRMAN  
  
**N RAMU**  
CHIEF FINANCIAL OFFICER

**SATISH KUMAR ARYA**  
MANAGING DIRECTOR  
  
**M SRIVIDYA**  
COMPANY SECRETARY



### CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2024

Particulars	Note No	Year ended 31-Mar-24 Rs. In lakhs	Year ended 31-Mar-23 Rs. In lakhs
<b>I. Revenue from Operations</b>	23	5,917.88	5,460.57
<b>II. Other Income</b>	24	340.40	420.39
<b>III. Total Income (I+II)</b>		<b>6,258.28</b>	<b>5,880.96</b>
<b>IV. Expenses</b>			
Expenditure on Trading Operations	25	111.71	91.12
Impairment of Financial Instruments	26	(10.59)	(3.25)
Employee benefits expense	27	1,275.40	1,218.66
Finance Costs	28	60.42	61.34
Depreciation and amortisation expense	3 & 4	103.67	73.33
Other expenses	29	3,166.51	2,960.73
<b>Total Expenses</b>		<b>4,707.12</b>	<b>4,401.94</b>
<b>V. Profit before tax (III-IV)</b>		1,551.16	1,479.01
<b>VI. Tax Expense</b>			
1) Current Tax		394.08	353.02
2) Tax relating to prior years		10.00	29.95
3) Deferred tax		12.83	7.30
<b>Total Tax Expenses</b>		<b>416.90</b>	<b>390.27</b>
<b>VII. Profit after tax and before Share in Associate (V-VI)</b>		1,134.26	1,088.74
<b>VIII. Share of Profit in Associate (net)</b>		52.02	32.16
<b>IX. Profit for the year before Non-controlling Interest (VII-VIII)</b>		1,186.28	1,120.90
<b>X. Non-controlling Interest</b>		-	-
<b>XI. Profit for the Year</b>		<b>1,186.28</b>	<b>1,120.90</b>
<b>XII. Other Comprehensive income</b>			
A) (i) Items that will not be reclassified subsequently to statement of profit and loss		(7.80)	4.38
(ii) Income tax relating to items that will not be reclassified subsequently to statement of profit and loss		-	-
B) (i) Items that will be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will be reclassified subsequently to statement of profit and loss		-	-
<b>XIII. Total comprehensive income for the period</b>		<b>1,178.47</b>	<b>1,125.28</b>
<b>XIV. Earnings per share (of Rs.10/- each)</b>	30		
a) Basic		7.80	7.45
b) Diluted		7.80	7.45
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

**For RAO & KUMAR**  
Chartered Accountants  
Firm Reg.No.003089S

**For STEEL CITY SECURITIES LIMITED**

**CA C M RAVI PRASAD**  
Partner  
Membership NO.211322  
UDIN : 24211322BKBUJN5507  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

**K SATYANARAYANA**  
EXECUTIVE CHAIRMAN  
  
**N RAMU**  
CHIEF FINANCIAL OFFICER

**SATISH KUMAR ARYA**  
MANAGING DIRECTOR  
  
**M SRIVIDYA**  
COMPANY SECRETARY



### Statement of Changes in Equity

**Equity Share Capital** Amount Rs.in Lakhs

Equity Shares of Rs.10/- issued, subscribed and fully paid up	
Balance as on 01 April, 2022	1,510.71
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the previous reporting year	1,510.71
Changes in Equity Share Capital during the year	-
Balance as at 31 <sup>st</sup> March, 2023	1,510.71
Changes in Equity Share Capital due to prior year errors	-
Restated balance at the beginning of the current reporting year	1,510.71
Changes in Equity Share Capital during the year	-
Balance as at 31 <sup>st</sup> March, 2024	1,510.71

**Other Equity** Amount Rs.in Lakhs

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2022	1,044.48	1,397.21	6,530.16	8,971.85
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	1,044.48	1,397.21	6,530.16	8,971.85
Profit for the year	-	-	1,125.28	1,125.28
Other comprehensive Income for the year	-	-	-	-
Transfer to General Reserve	-	108.87	(108.87)	-
Dividend Paid	-	-	(453.21)	(453.21)
Balance as at March 31, 2023	1,044.48	1,506.09	7,093.55	9,643.92

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2023	1,044.48	1,506.09	7,093.35	9,643.92
Changes in accounting policy or prior year errors	-	-	(42.79)	(42.79)
Restated balance at the beginning of the previous reporting year	1,044.48	1,506.09	7,050.56	9,601.13
Profit for the year	-	-	1,186.28	1,186.28
Other comprehensive Income for the year	-	-	(7.80)	(7.80)
Transfer to General Reserve	-	123.07	(123.07)	-
Dividend Paid	-	-	(453.21)	(453.21)
Balance as at March 31, 2024	1,044.48	1,629.16	7,652.75	10,326.39

**For RAO & KUMAR**  
Chartered Accountants  
Firm Reg.No.003089S

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COMPANY SECRETARY



### CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH, 2024

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>A. Cash flow from Operating Activities</b>		
<b>Net Profit Before Tax</b>	1,551.16	1,479.01
<b>Adjustment for:</b>		
Depreciation and amortization expense	103.67	73.33
Finance Costs	60.42	61.34
Interest Income	(332.33)	(329.24)
Dividend Income	(8.07)	(6.73)
(Profit)/Loss on Sale of Fixed Assets/Investments	(24.74)	(13.51)
Impairment of Financial Instruments	1.22	(9.10)
Diminution in value of Investments	(11.81)	5.85
<b>Operating Profit before Working Capital Changes</b>	1,339.53	1,260.96
Trade Receivables	(1,063.96)	1,407.51
Other Receivables	(3,471.84)	(5,867.89)
Other Assets	276.40	5,786.32
Trade Payables	1,506.76	128.63
Other Payables & Provisions	(27.06)	(700.79)
<b>Change in Working Capital</b>	(2,779.71)	753.77
<b>Cash generated from / (used in) Operations</b>	(1,440.19)	2,014.73
Income tax paid	(414.83)	(394.50)
<b>Net Cash generated from/ (used in) Operating Activities</b>	(1,855.02)	1,620.23
<b>B. Cash flow from Investing Activities</b>		
Purchase of Fixed Assets	(47.11)	(1,399.17)
Proceeds from Sale of Fixed Assets	34.61	13.51
Proceeds from Sale/(purchase) of Investments	-	-
Income from Investments	8.07	6.73
Interest Received	332.33	329.24
<b>Net cash generated from / (used in) investing activities</b>	327.90	(1,049.69)
<b>C. Cash flow from Financing Activities</b>		
Interest paid	(60.42)	(61.34)
Proceeds from borrowings	-	225.00
Repayment of borrowings	430.48	(5.63)
Dividend paid	(453.21)	(453.21)
<b>Net cash generated from / (used in) Financing activities</b>	(83.16)	(295.19)
<b>D. Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	(1,610.28)	275.35
<b>E. Cash &amp; Cash Equivalents (Opening)</b>		
as on 1st April 2023 / 1st April 2022	2,326.72	2,051.36
<b>F. Cash &amp; Cash Equivalents (Closing)</b>	716.44	2,326.72
<b>Reconciliation of Cash and Cash Equivalents</b>		
with the Balance Sheet:		
Cash in hand	14.23	16.85
Cheques, draft on hand	11.42	27.19
Balances with Schedule banks in current accounts	690.79	2,282.67

For **RAO & KUMAR**  
Chartered Accountants  
Firm Reg.No.003089S

For **STEEL CITY SECURITIES LIMITED**

**CA C M RAVI PRASAD**  
Partner  
Membership NO.211322  
UDIN : 24211322BKBUJN5507  
PLACE: VISAKHAPATNAM  
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**M SRIVIDYA**  
COMPANY SECRETARY



### Note No.1 : Company Over View

Steel City Securities Limited ("the Company") was incorporated on 22nd February 1995. The Company is primarily engaged in the business as stock broker in securities trading in various stock exchanges and acting as a depository participant. The Company also offers Services of E-Governance. The Shares of the Company are listed on National Stock Exchange of India Limited (NSE). The company's registered office is at "STEEL CITY HEIGHTS", 50-81-18, Seethammampeta Main Raod, Visakhapatnam-530016 Andhra Pradesh, India.

### Note No.2 : Significant Accounting Policies

#### a Basis of Preparation, Presentation of financial statements and Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

#### b Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

#### c Basis for measurement

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following material items which have been measured at fair value:

Items	Measurement Basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Investments	Quoted price
Trade Receivables	Fair Value

#### d Use of Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### Assumptions and estimation uncertainties

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:





**a) Income taxes:**

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

**b) Deferred taxes:**

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforward becomes deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**c) Defined benefit plans and compensated absences**

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**d) Expected credit losses on financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

**e) Measurement of fair values**

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in 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: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair Value of planned assets less present value of defined benefit obligation



### f Revenue Recognition

#### i. Operating Income

Income from Trading Operations, which comprises of Brokerage is accounted for up to the date of last settlement in the reporting period and TINFC's Operations are accounted on transaction basis.

#### ii. Interest Income

Revenue is recognized on a time proportion basis taking into account the amount of deposit and a rate applicable.

#### iii. Dividend Income

Revenue is recognized when the shareholders right to receive payment is established by the balance sheet date.

### g Expenses

Expenses are accounted on accrual basis and Provisions made for all known liabilities and losses on available information.

Trading losses arising out of communication & computer disruptions and other operational reasons are treated as trading expenses.

### h Operating Leases

Assets given/taken on lease in which a significant portion of risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the statement of Profit and loss on a straight line basis over the period of lease unless the payments/receipts are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

### i Property, Plant and Equipment (including intangible assets)

#### i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iii. Depreciation/ Amortization

Depreciation has been charged off under useful life Straight Line Method as per Schedule II to the Companies Act 2013.



The estimated useful lives used for computation of depreciation are as follows

Buildings	60 years
Furniture&Fixtures	10 years
Electrical Equipment	10 years
Computers	3-6 years
Vehicles	8 years
Cycles	10 years
Other Assets	5 years
Software	3 years

### j Financial Instruments

#### i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is 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 FVTPL) are added to or deducted from the fair value of the financial assets and liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and loss.

#### ii. Classification and subsequent measurement

##### Financial assets:

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL (Fair value through Profit and Loss)
- FVOCI (Fair value through Other Comprehensive Income)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- 'the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.



'On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

#### **Financial assets at FVTPL:**

- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

#### **Debt investments at FVOCI:**

- These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss.
- Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

#### **Equity investments at FVOCI:**

- These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.
- Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

#### **Financial assets at amortised cost:**

- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

#### **Financial liabilities:**

'Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

### **iii. Derecognition**

#### **Financial assets:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

#### **Financial liabilities:**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the



modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### Impairment

#### i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties

Except for debts due from Central/State Governments, Central/State Government Departments and Central/State Autonomous Bodies, Public Sector Undertakings for which provision/loss allowances are measured on case to case basis.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

No of Days of Due as per the observed credit pattern followed by the company	% of default as observed by the management for DP Trade Receivables	% of Default as Observed by the Management for securities trade receivables
Not due	0.00%	0.00%
0 - 90 days	10.00%	10.00%
91 - 180 days	10.00%	10.00%
181 - 365 days	10.00%	10.00%
>365 days	80.00%	45%
365 days		

Uncollectable

The Above % of default rates for the Debtors due till 365 days is taken on the basis of Historical default rates.

The % of default rates for the Debtors due for more than 365 days is taken on the basis of management judgement

#### ii. Impairment of non financial assets

The Company's non-financial assets, other than other tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.



For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

**k Investments in Subsidiaries and Associates**

The Company has elected to measure equity investments in Subsidiaries and Associates at cost as per Ind As-28.

**l Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

**m Income taxes**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognised in the respective line items.

**Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax asset and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred Tax**

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred Tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantially enacted by the Balance Sheet Date. Deferred Tax Asset are reviewed at each Balance Sheet date for their realisability.

**n Investments**

- (i) Investments that are intended to be held for more than a year are classified as Long-term Investments. All other investments are classified as current investments.
- (ii) Long-term investments are carried at cost, unless there is diminution other than temporary in their value.
- (iii) Current Investments are valued at lower of cost or market value.



**o Retirement Benefits**

- i. The Company's contribution to Provident Fund is recognized on accrual basis.
- ii. In accordance with applicable Indian laws, the Company provides for gratuity a defined benefit retirement plan (Gratuity plan) covering all employees. The Gratuity plans provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. The Company has an employees' gratuity fund managed by LIC of India.
- iii. Leave encashment liability is provided on the basis of actual valuation made by the management at the end of each calendar year.

**p Borrowing Cost**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition or construction of an asset which necessarily takes a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**q Provisions and Contingencies**

Provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent Liabilities are disclosed in the notes. Contingent Assets are not recognised in the financial statements.

**r Earnings per Share**

The Basic earnings per share is computed by dividing the net profit / loss attributable to the Equity Shareholders for the year by the weighted average no of equity shares outstanding during the reporting year.

For the purpose of calculating diluted earnings per share the net profit/loss for the year attributable to equity shareholders and weighted average no of shares outstanding during the reporting year is adjusted for the effect of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or antidilutive, each issue of series of potential equity shares is considered separately rather than aggregate.

**s Statement of Cash Flows**

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- a. changes during the period in operating receivables and payables transactions of a cash nature;
- b. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- c. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

**t Dividend payable**

Dividend is recognised at the time of payment to equity shareholders.

**u Prior Period omissions & errors**

Income/Expenditure relating to earlier years which does not exceeds 0.50% of the turnover of the Company in each transactions are treated as income/expenditure of the current year.

### Note No.3 : Property plant and equipment

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Land	984.56	7.87	-	992.43	-	-	-	-	-	992.43	984.56
Buildings	664.36	-	12.90	651.46	19.22	60 Yrs	10.89	3.29	26.81	624.65	645.14
Furniture & Fixtures	240.29	8.05	1.54	246.80	35.86	10 Yrs	24.58	1.27	59.17	187.62	204.43
Electrical Equipments	241.76	3.90	13.66	232.00	95.29	10 Yrs	23.66	13.66	105.29	126.71	146.47
Computers	109.21	23.51	102.35	30.38	75.28	3-6 Yrs	20.77	102.35	(6.30)	36.67	33.94
Vehicles	104.99	-	10.91	94.08	42.55	8 Yrs	12.35	10.91	43.99	50.09	62.44
Cycles	0.05	-	-	0.05	0.03	10 Yrs	0.00	-	0.03	0.02	0.02
Other Assets	6.16	0.79	0.68	6.27	2.14	5 Yrs	1.22	0.68	2.68	3.59	4.02
<b>Total</b>	<b>2,351.38</b>	<b>44.11</b>	<b>142.04</b>	<b>2,253.46</b>	<b>270.36</b>		<b>93.48</b>	<b>132.16</b>	<b>231.68</b>	<b>2,021.78</b>	<b>2,081.02</b>

### Note No.3(i) : Capital work-in-Progress

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Buildings WIP	409.77	-	-	409.77	-	-	-	-	-	409.77	409.77
<b>Total</b>	<b>409.77</b>	<b>-</b>	<b>-</b>	<b>409.77</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>409.77</b>	<b>409.77</b>

### CWIP aging schedule

CWIP	Amount in CWIP for a period of			Total
	Less than One Year	1-2 Years	2-3 Years	
Projects in Progress	-	-	409.77	409.77
Projects temporarily suspended	-	-	-	-

### Note No.4 : Intangible Assets

Description	Gross Block at Cost			Depreciation			Net Block				
	As at 01.04.2023	Additions as on 31.03.2024	Deletions as on 31.03.2024	As at on 31.03.2024	Up to 31.03.2023	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2024	As at 31.03.2024	As at 31.03.2023
Software	29.88	3.00	-	32.88	6.34	3 Yrs	10.19	-	16.53	16.35	23.54
<b>Total</b>	<b>29.88</b>	<b>3.00</b>	<b>-</b>	<b>32.88</b>	<b>6.34</b>		<b>10.19</b>	<b>-</b>	<b>16.53</b>	<b>16.35</b>	<b>23.54</b>

Note: There was no change in the useful life of the Assets on our review at the reporting date.





	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.5</b>		
<b>Deferred tax Asset (net)</b>		
Tax effect of items constituting deferred tax Liability		
- Provision for Doubtful Debts	-	-
Tax effect of items constituting deferred tax Liability (A)	-	-
Tax effect of items constituting deferred tax Asset		
- Depreciation on fixed assets	5.67	13.73
- Provision for Debts	205.66	205.35
- Impairment of Investments	0.66	5.74
Tax effect of items constituting deferred tax Asset (B)	211.98	224.81
<b>Deferred Tax Asset (net) (B-A)</b>	<b>211.98</b>	<b>224.81</b>

Deferred Tax Asset is computed, taking into consideration that there would be adequate profits in future years to be adjusted

<b>Reconciliation of Estimated Tax expense at tax rate to Income Tax Expense reported in the Statement of Profit &amp; Loss</b>		
Profit before Tax	1,551.16	1,479.01
Applicable Income Tax Rate	25.168%	25.168%
Expected Income Tax Expense	390.40	372.24
Effect of Income exempt from tax	-	1.96
Effect of expenses / provisions not deductible in determining taxable profit	16.51	(13.88)
Adjustment related to tax of prior years	10.00	29.95
<b>Reported Income Tax Expense</b>	<b>416.90</b>	<b>390.27</b>

<b>Note No.6</b>		
<b>Non Current Investments</b>		
<b>Other investments (unquoted) -Trade</b>		
<b>Investment in Equity Instruments</b>		
<b>Associate:</b>		
192000 (PY 192000) equity shares of Rs.10/- each of Steel City Financial Services Pvt Ltd at cost	449.39	440.16
<b>Other investments (unquoted) - Non-Trade</b>		
2,500 (PY 2500) equity shares of Rs.10/- each of Steel City Infotech Pvt Ltd	0.25	0.25
4,00,000 (PY 4,00,000) Equity Shares of MELIORA ARC LTD	100.00	100.00
828 (PY 828 9% CCDs) Equity Shares of Redcliffe Hygiene Private Limited	79.91	79.91
	<b>629.55</b>	<b>620.32</b>
<b>Provision for Diminution in value of Investments</b>	<b>629.55</b>	<b>620.32</b>
<b>Book Value of Unquoted Investments</b>	<b>629.55</b>	<b>620.32</b>

Note: Investments in Subsidiary Company mutually cancelled on Consolidation of Financials

Name of the Associate	ownership interest	Original Cost	Carrying amount
Steel City Financial Services Pvt Ltd	43.74%	340.20	449.39



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.7</b>		
<b>Other non-current assets</b>		
Unsecured, considered good		
Interest free Security Deposits with Exchanges	370.00	1,043.81
V Sat Deposits with Exchanges	0.50	0.50
Telephone Deposits	8.15	8.33
Rental Deposits	51.16	58.45
Electricity Deposits	13.87	10.80
Other Deposits	53.64	42.14
	<b>497.31</b>	<b>1,164.03</b>

<b>Note No.8</b>		
<b>Current Investments:</b>		
<b>Other investments (Quoted) - Trade</b>		
ANI Integrated Services Ltd 1200 Qty (P.Y.1200) of Rs.10/- (PY Rs.10/-) each	1.20	1.20
Shivalik Rasaayan Ltd 1000 Qty (P.Y. 15000) of Rs.10/- (PY Rs.10/-) each	3.26	3.26
Wockhardt Pharma Ltd 2190 Qty (P.Y. 2190) of Rs.10/- (PY Rs.10/-) each	21.51	21.51
	25.97	25.97
Provision for Diminution in value of Investments	(2.62)	(14.43)
	23.35	11.54
Book Value of Quoted Investments	25.97	25.97
Market Value of Quoted Investments	23.35	11.54

<b>Note No.9</b>		
<b>Trade Receivables</b>		
Trade Receivables Unsecured, considered good	3,001.36	1,907.88
Less: Provision for Debts	734.32	733.10
	2,267.04	1,174.78
Trade Receivables Secured, considered good	3,161.09	3,190.61
	5,428.14	4,365.40

<b>Trade Receivables Ageing Schedule for the year Ended March 31, 2024</b>							
	Outstanding for following periods from due date of payment						(Rs.in Lakhs)
	Less than 6 months	6 months - 12 months	1-2 Years	2-3 years	More than 3 years	Total	
Undisputed Trade Receivables - Considered good	4,846.11	248.68	13.93	379.76	673.98	6,162.46	
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Less: Provision for debts							734.32
<b>Total Trade Receivable</b>							<b>5,428.14</b>



### Trade Receivables Ageing Schedule for the year Ended March 31, 2023

	Outstanding for following periods from due date of payment						(Rs.in Lakhs)
	Less than 6 months	6 months - 12 months	1-2 Years	2-3 years	More than 3 years	Total	
Undisputed Trade Receivables - Considered good	3,634.22	375.93	402.83	61.38	624.12	5,098.49	
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	
Less: Provision for debts						733.10	
<b>Total Trade Receivable</b>						<b>4,365.40</b>	

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.10</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	14.23	16.85
Cheques, drafts on hand and transit	11.42	27.19
Balances with Banks		
- in current accounts	690.79	2,282.67
	<b>716.44</b>	<b>2,326.72</b>

<b>Note No.11</b>		
Bank Balances Other Than Cash And Cash Equivalent		
Unclaimed dividend account (Earmarked)	20.11	19.49
Against Bank Guarantees & other commitments (Earmarked)	5,227.90	5,264.28
Deposit original maturity less than 12 months	132.39	478.59
Interest accrued on Fixed Deposits with Banks	174.00	141.81
	<b>5,554.40</b>	<b>5,904.16</b>

- a) deposit accounts includes an amount of Rs.2529 Lakhs placed with banks (HDFC Bank Rs.2379 Lakhs and Karur vysya bank Rs.150 Lakhs) pledged against the bank guarantees issued and loan provided by them.
- b) Section 125 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.12</b>		
<b>Short-term loans and advances</b>		
Unsecured, considered good		
Advance to suppliers	0.01	-
Other loans and advances		
Receivable from E-Governance Centres	151.83	116.35
Receivable from Authorised Persons/Dp Franchises	20.78	13.32
Others	86.54	99.21
	<b>259.16</b>	<b>228.88</b>
<b>Note No.13</b>		
<b>Other Financial Assets - Current</b>		
Unsecured, considered good		
Margins with Clearing Corporations	4,119.22	-
	<b>4,119.22</b>	-
<b>Note No.14</b>		
<b>Other Current Assets</b>		
Other Receivables	186.77	115.13
Advance Income Tax	359.29	339.66
Prepaid expenses	58.25	74.29
	<b>604.31</b>	<b>529.07</b>
<b>Note No.15</b>		
<b>Share Capital</b>		
Authorised		
2,50,00,000 (P.Y 2,50,00,000) Equity Shares of Rupees 10/- each	2,500.00	2,500.00
<b>Total</b>	<b>2,500.00</b>	<b>2,500.00</b>
Issued subscribed and paid up capital		
1,51,07,095(P.Y 1,51,07,095) Equity Shares of Rupees 10/- each, fully paid-up	1,510.71	1,510.71
	<b>1,510.71</b>	<b>1,510.71</b>



**Notes:**

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Changes during the period	Closing Balance
Equity shares of Rs.10/- each:			
Period ended 31 <sup>st</sup> March, 2024			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs. In lakhs	1,510.71	0	1,510.71
Period ended 31 <sup>st</sup> March, 2023			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.in lakhs	1,510.71	0	1,510.71

**(i) Reconciliation of number of Shares**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount (Rs.in lakhs)	No of Shares	Amount (Rs.in lakhs)
Equity shares				
Opening Balance	1,51,07,095	1,510.71	1,51,07,095	1,510.71
Issued during the period	0	-	0	-
Closing Balance	1,51,07,095	1,510.71	1,51,07,095	1,510.71

**(ii) Rights attached to equity shares:**

The company has only one class of Equity Shares having at par value of INR 10/- per share. Each equity holder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders except in case of interim Dividend

During the Year , the per share interim dividend paid to equity shareholders was Rs. 2.00 (previous year Rs.2.00) and final Dividend for FY 2022-2023 paid to equity shareholders is Rs.1.00 (previous year Rs.1.00)

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

**(iii) List of shareholders holding more than 5% of the total number of shares issued by the Company:**

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No of Shares held	% of Holding	No of Shares held	% of Holding
K.Satyanarayana	12,54,446	8.30	12,54,446	8.30
Satish Kumar Arya	16,41,209	10.86	14,45,889	9.57
G Vishnu Vandana	25,75,500	17.05	25,75,500	17.05
G Sirisha	24,43,731	16.18	24,43,731	16.18

- (iv) There are no shares bought back by the Company during the period of Five Years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/preference shares or employee stock option issued by the Company.



(v) Shares held by Promoters at the end of the year

Promoter Name	No of Shares	% of total shares	% of Change during the year
K.Satyanarayana	12,54,446	8.30%	-
Satish Kumar Arya	16,41,209	10.86%	1.29
G Vishnu Vandana	25,75,500	17.05%	-
G Sirisha	24,43,731	16.18%	-

Promoters Group:	No of Shares	% of total shares	% of Change during the year
Steel City Financial Services Private Limited	500000	3.31%	0.00
K. Mahalakshmi	74809	0.50%	0.01
K. V. S. Ramesh Babu	507500	3.36%	0.00
Nirmala Devi	233209	1.54%	0.22
Sachin Arya	900009	5.96%	1.18
K. Geeta Vara Lakshmi	15000	0.10%	0.00
K. Mrudula	65000	0.43%	0.00
Alka Rajput	76409	0.51%	0.00
Suman Arya	19825	0.13%	0.10
Tentu Venkata Triveni	242428	1.60%	0.00
Pyla Madhu	51300	0.34%	0.00
K Rajkumar	2600	0.02%	0.00

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.16</b>		
<b>Long-term borrowings</b>		
Unsecured Secured Loans	75.00	75.00
	<b>75.00</b>	<b>75.00</b>

<b>Note No.17</b>		
<b>Provisions-non-current</b>		
Provision for Employee benefits		
- provision for gratuity	23.59	7.38
	<b>23.59</b>	<b>7.38</b>

<b>Note No.18</b>		
<b>Short-term borrowings</b>		
Secured		
Loan repayable on demand from banks	433.28	-
Vehicle Loans from Banks & Others	-	2.80
Unsecured	-	-
<b>Total</b>	<b>433.28</b>	<b>2.80</b>

- Working Capital facilities from ICICI Bank Ltd is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors.
- Working Capital facilities from Karur Vysya Bank is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors and Properties belonging to Directors/others aggregated of Rs.893 Lakhs.
- Working Capital facilities from The HDFC Bank Ltd is secured by hypothecation of Trade Receivables (50%), personal guarantee of Directors.



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.19</b>		
<b>Trade payables</b>		
Trade Payables including margin money from trade clients - MSME	-	-
Trade Payables including margin money from trade clients	6,654.52	5,147.77
	<b>6,654.52</b>	<b>5,147.77</b>

In order to secure the performance by the clients of their obligations, commitments & liabilities to the company they placed the margins with the Company.

#### Trade Payables due for payment

#### Trade Payables Aging Schedule

as at March 31, 2024

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.in Lakhs)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	6,654.52	-	-	-	6,654.52
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

as at March 31, 2023

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.in Lakhs)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	5,147.77	-	-	-	5,147.77
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.20</b>		
<b>Other Financial Liabilities - Current</b>		
Margin money from E-Governance Centres	698.64	710.81
Unclaimed dividends	20.11	19.49
	<b>718.75</b>	<b>730.30</b>

- a) Unclaimed dividends includes an amount of Rs.1.68 Lakhs due and outstanding to be credited to investor education and protection funds. But, due to technical glitches in the MCA website the remittance could not be made with in the due date i.e. 23/03/2023. However, the Company has filed form No.IEPF-1 with in the due date. The delay in remittance is due to the conditions beyond the control of the Company.
- b) During the Year, an amount of Rs.0.00 has been transferred to Investor Education and Protection Fund.



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.21</b>		
<b>Other Current Liabilities</b>		
Liability for expenses, Authorised Persons/franchises	810.34	873.25
	<b>810.34</b>	<b>873.25</b>

- a) There is no interest payable on Vsat Deposits taken from Franchises and the same was paid to Vsat Providers for purchase of VSATs

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.22</b>		
<b>Short term provisions</b>		
Provision for Taxation	394.08	353.02
	<b>394.08</b>	<b>353.02</b>

Provision is made for gratuity based on actuarial valuation. All actuarial gains and losses arising during the year are recognized in the Profit and Loss Account for the year

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.23</b>		
<b>Revenue from Operations</b>		
Income from Broking Operations	2,769.50	2,517.85
Income from DP Operations	259.30	178.55
Income from E-Governance Operations	2,402.47	2,282.68
Interest from Margin Trading Operations	486.62	481.50
	<b>5,917.88</b>	<b>5,460.57</b>

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.24</b>		
<b>Other Income</b>		
Interest from Fixed Deposits & Others	332.33	329.24
Profit(loss) on sale of Investments	-	-
Interest - Others	-	84.42
Dividend Income	8.07	6.73
	<b>340.40</b>	<b>420.39</b>

	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.25</b>		
<b>Expenditure on Trading Operations</b>		
Transaction Charges	86.82	38.78
Trading Expenses	2.58	2.49
Annual Subscription to Exchanges	1.00	1.00
Insurance	1.67	1.62
V Sat, Bandwidth Charges and Maintenance	8.66	20.50
Batteries, UPS Maintenance	10.98	26.73
	<b>111.71</b>	<b>91.12</b>

Trading Expenses are expenses on purchase and sale of shares wherever there was operational problems due to communication & computer disruptions, data entry operator's mistakes, share deliveries mismatch and other reasons, to come out of the long or short struck positions.





	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
<b>Note No.26</b>		
<b>Impairment of Financial Instruments</b>		
Trade Receivables	1.22	(9.10)
Investments	(11.81)	5.85
	<b>(10.59)</b>	<b>(3.25)</b>

<b>Note No.27</b>		
<b>Employee benefits expense</b>		
Salaries, wages and bonus	1,180.81	1,116.20
Contribution to;		
- Provident Fund and other Funds	69.39	71.65
- Gratuity	15.79	15.92
Staff Welfare Expenses	9.42	14.89
	<b>1,275.40</b>	<b>1,218.66</b>

- a) Salaries, wages and bonus includes an amount of Rs.111.00 Lakhs (PY Rs.96.00 Lakhs) paid to the Directors as Remuneration as per Schedule V of the Companies Act, 2013
- b) **Provident Fund** : Company pays fixed contribution to Provident Fund at predetermined rates to the EPF fund maintained by Employees' Provident Fund Organisation, Government of India. Company obligation is limited to payment of contribution at the pre determined rates. The settlement to the employees shall be made by the EPF organisation.
- c) **Gratuity**: Payable to employees, who render continuous service of 5 years or more, on separation, @15 days of last drawn pay of each completed year of service.
- d) **Leave encashment**: Leave encashment amount is paid to the employees at the end of the each calendar year.

<b>Note No.28</b>		
<b>Finance Cost</b>		
Interest Expenses	24.87	18.23
BG Commission and Charges	35.49	42.67
Other Borrowings cost	0.06	0.44
	<b>60.42</b>	<b>61.34</b>

<b>Note No.29</b>		
<b>Other Expenses</b>		
A C Maintenance	2.59	3.51
Advertisements	1.12	-
Bad Debts Written off	-	-
Bank Charges & Payment Gateway Charges	16.59	17.14
Books & Periodicals	2.26	2.57
Business Development	71.49	51.87
Computer and software maintenance	190.43	136.36
Conveyance	3.36	3.57
CSR Expenses	29.53	27.09
Current Repairs to lease hold buildings	-	8.21



	As at 31-Mar-24 Rs. in Lakhs	As at 31-Mar-23 Rs. in Lakhs
Demat charges	-	-
Donations	0.75	1.94
E-Governance Commission	1,576.93	1,467.83
Electricity Charges and maintenance	65.25	73.47
Fee to Company Secretary	1.56	1.56
Fees & Charges, Filing fee	30.53	39.52
Generator maintenance	1.96	3.17
Insurance	28.83	21.01
Legal, Consultancy and Professional fee	24.43	24.41
Office Maintenance	47.79	55.44
Office Rent	164.57	216.22
Payment to Auditors (Refer Note No.29.1)	17.21	16.73
Printing & Stationery, Postage and Other Charges	20.14	25.75
Sub-brokerage	785.59	682.10
Subscriptions	9.08	7.65
Telephone and Internet Charges & Maintenance	45.37	41.30
Tours and Travels	8.51	9.99
Transportation charges	1.51	2.53
Vehicle maintenance	17.96	18.96
Xerox and coolers maintenance	1.16	0.83
	<b>3,166.51</b>	<b>2,960.73</b>
<b>Note No.29.1</b>		
Payment to Auditors includes payments to Statutory Auditors towards		
Statutory Audit Fee	3.00	3.00
Taxation Matters	-	-
Certifications	-	-
	<b>3.00</b>	<b>3.00</b>
<b>Note No.30</b>		
<b>Earnings per share (EPS)</b>		
Earnings (as reported)	1,178.47	1,125.28
Shares		
No. of Shares	1,51,07,095.00	1,51,07,095.00
No. of Weighted Average Shares	1,51,07,095.00	1,51,07,095.00
Earnings per Equity Share (Rs.)		
- Basic	7.80	7.45
- Diluted	7.80	7.45



### Note No.31

Contingent Liabilities and commitments (to the extent not provided for) (Rs. In Lakhs)

Sl no.	Particulars	As at 31 <sup>st</sup> March, 2024	As at 31 <sup>st</sup> March, 2023
1	Bank Guarantees in favour of Clearing Corporations of Stock Exchanges issued by Banks on behalf of the Company against 50% of Cash Margin i. e . Fixed Deposit Receipts	4,550.00	5,295.00
2	Cases against the Company not acknowledged as debts (See Note No. 27.1(a))	19.82	19.82
3	Income tax Demands pending in appeals (See Note No. 31.1(b))	-	3.78
4	Show cause notices from Service tax department for which the Company has filed replies	115.29	115.29
5	Service tax demands, pending in appeal (See Note No. 31.1(c))	539.77	539.77

### 31.1

- Demands against the Company not acknowledged as debts, amounting to Rs.19.82 Lakhs are pending at various courts/forums
- During the Financial Year 2023-2024, the Appeal has been disposed off by giving complete relief to the Company and a consequential order also has been passed giving effect to the appellate order.
- Service tax demands against the Company;
  - The Company has deposited an amount of Rs. Rs.13.49 Lakhs as a condition precedent of hearing the appeal before The Commissioner (Appeals) in case of order dated 09.01.2017. However the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commission (Appeals) before CESTAT by depositing additional Pre-deposit of Rs.4.50 Lakhs on 01.08.2018

### Note No.32

Provision for Taxation has been made after taking into account, the difference between depreciation in the accounts and the depreciation allowable as per the Income Tax Act, 1961 and other deductions /additions allowable/ disallowable under the Income Tax Act, 1961.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section.

### Note No.33

#### Related party disclosures:

Nature of Relationship	Name of the Party
(a) Related Parties where Control Exists:	
Subsidiaries	Steel City Commodities Private Limited
Group Companies	Steel City Financial Services Private Limited
(b) Other related Parties:	
Key Management Personnel	Mr. K. Satyanarayana Mr. Satish Kumar Arya Mr. T.V. Srikanth



**(c) Significant transaction with related parties: (Rs.in Lakhs)**

Sl. No.	Nature of Relationship	Name of the Related Party	Nature of Transaction					Dividend Paid / (received)	Brokerage Received
			Remuneration	Corporate guarantee given	Advance paid	Advance Taken			
1	Subsidiary Company	Steel City Commodities Private Ltd.	0.00	0.00	14.25	14.25	0.00	0.00	
2	Associate Company	Steel City Financial Services Private Ltd.	0.00	0.00	7.13	7.13	15.00 / (7.68)	0.00	
3	Executive Chairman	K. Satyanarayana	42.00	0.00	0.00	0.00	37.63	0.57	
4	Managing Director	Satish Kumar Arya	42.00	0.00	0.00	0.00	47.00	6.13	
5	Director-IT	T V Srikanth	27.00	0.00	0.00	0.00	0.00	0.00	
6	Director	G Vishnu Vandana	0.00	0.00	0.00	0.00	77.27	0.00	
7	Relative of Key Management - Wife of Sri K Satyanarayana	K. Mahalakshmi	0.00	0.00	0.00	0.00	2.19	0.20	
8	Relative of Key Management - Son Sri K Satyanarayana	K S V Ramesh Babu	11.59	0.00	0.00	0.00	15.23	0.07	
9	Relative of Key Management - Wife of Sri Satish Kumar Arya	Nirmala Devi Arya	0.00	0.00	0.00	0.00	6.54	0.05	
10	Relative of Key Management - Son of Sri Satish Kumar Arya	Sachin Arya	0.00	0.00	0.00	0.00	26.48	0.21	
11	Relative of Key Management - Wife of Sri T V Srikanth	G. Sirisha	0.00	0.00	0.00	0.00	73.31	0.07	
12	Relative of Key Management - Husband of Smt. G. Vishnu Vandana	P. Madhu	27.00	0.00	0.00	0.00	1.54	0.00	
	<b>Total</b>		<b>149.59</b>	<b>0.00</b>	<b>21.38</b>	<b>21.38</b>	<b>302.19/(7.68)</b>	<b>7.31</b>	

Note: Transactions between group companies comprise of extension and return of temporary adjustment of common clients accounts as identified by the Company's management from the Holding/Subsidiary Company's Account

**(d) Amount Due to / (from) related Parties (Rs.in lakhs).**

Nature of Transaction	Due to / ( From)
Steel City Commodities Private Limited	(150.00)
Steel City Financial Services Private Limited	75.00
K Satyanarayana	-
Satish Kumar Arya	-
T V Srikanth	-



### Note No.34

#### Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees, which is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the financial statements:

#### A. Financial Assumptions

Particulars	31.03.2023	31.03.2024
Discount rate for Active Employees	7.52%	7.22%
Discount rate for pensioners	-	-
Salary growth rate	5.00%	5.00%
Expected rate of return on plan Assets	7.01%	7.67%

#### B. Demographic Assumptions

Particulars	31.03.2023	31.03.2024
Withdrawal Rate	3.00%	3.00%
Retirement Age	60years	60years

#### C. Mortality rates - Indian assured lives mortality 2012-14 table (Mortality per thousand)

Age in years	31.03.2022	31.03.2023
20	0.000924	0.000924
25	0.000931	0.000931
30	0.000977	0.000977
35	0.001202	0.001202
40	0.00168	0.00168
45	0.002579	0.002579
50	0.004436	0.004436
55	0.007513	0.007513
60	0.011162	0.011162
65	0.015932	0.015932
70	0.024058	0.024058

#### D. Reconciliation of defined benefit obligation (Rs.in Lakhs)

Particulars	31.03.2023	31.03.2024
Opening defined benefit	144.67	154.27
Service Cost	-	-
a. Current service cost	14.03	14.37
b. Past service cost	-	-
c. (Gain )/ Loss on settlements	-	-
d. Loss/ (Gain) on Curtailments	-	-
Interest Cost	10.27	11.31
Benefit Payments from Plan Assets	(10.60)	(13.35)
Benefit Payments directly by Employer	-	-
Contributions by Employees/Participants	-	-
Effects of Acquisition/Merger	-	-
Settlements	-	-
Transfers In /Out	-	-
Actuarial Loss/ (Gain)	(4.11)	7.86
Exchange Differences on Foreign plans	-	-
Closing defined benefit obligations	154.27	174.46



### E. Profit or loss for the current period (Rs.in Lakhs)

Particulars	31.03.2023	31.03.2024
Current service cost	14.03	14.37
Recognised past service cost	-	-
Loss /(Gain) on curtailments and Settlements	-	-
Total service cost	14.03	14.37
Interest on obligation	10.27	11.31
Expected return on plan assets	(9.33)	(11.05)
Net interest cost	0.95	0.26
Total included in employee benefit expense	14.98	14.63

### F. Effects recognised in Other comprehensive income (Rs.in Lakhs)

Particulars	31.03.2023	31.03.2024
Actuarial (gain) or loss due to demographic assumptions change changes in DBO	-	-
Actuarial (gain) or loss due to financial assumption changes in DBO	(5.85)	4.56
Actuarial (gain) or loss due to experience in DBO	0.97	3.30
Return on Plan assets (grater) or less than the expected return	(0.53)	(0.05)
Changes in Asset Ceiling	-	-
Any other Effect	-	-
Net Actuarial Loss or (Gain) for the year	(5.41)	7.80

### Note No.35

#### Corporate Social Responsibility

- Gross Amount required to be spent by the Company during the year Rs.29.53 Lakhs
- Total Amount spent during the year is Rs.29.53 Lakhs as detailed below:

Particulars	Amount (Rs.in Lakhs)
Amount Contributed to Snehasandha Age Care Foundation, Visakhapatnam	10.00
Amount Contributed to Prime Minister National Relief Fund	1.53
Amount Contributed to Harekrishna Movement-India, Visakhapatnam	7.00
Amount Contributed to East Point Golf Club, Visakhapatnam	10.00
Shri Sharadamba Vidyapeeth Trust, Rishikesh	1.00
<b>Total</b>	<b>29.53</b>

### Note No.36

#### Segment Reporting

##### 1. Business Segment:

- The business segment has been considered as the primary segment.
- The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system.
- The Company's primary business comprises of two business segments viz., Stock Broking & DP Operations and E-Governance Operations.
- Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
- The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information.



### Information about the primary segment

(RS.in Lakhs)

Particulars	Stock Broking & DP Operations	E-Governance Operations	Grand Total
<b>A. Segment Revenue</b>			
External Segment	3,855.81	2,402.47	6,258.28
Internal Segment	-	-	-
Total Revenue	3,855.81	2,402.47	6,258.28
<b>B. Segment Results Profit/(Loss)</b>	1,008.21	646.62	1,654.83
Depreciation			(103.67)
Income Taxes (Current, Deferred Tax)			(416.90)
Share of Associate			52.02
Other Comprehensive Income			(7.80)
Profit/(Loss) After Tax			1,178.47
<b>C. Segment Assets</b>	19,587.15	1,359.50	20,946.66
<b>D. Segment Liabilities</b>	8,297.10	812.47	9,109.59
<b>E. Capital Expenditure</b>	42.00	4.71	47.11
<b>F. Depreciation</b>	91.20	12.47	103.67

### 2. Geographical Segment :

Further the company has no geographical segments which are subject to different risk and returns. Hence, no separate disclosure in terms of Indian Accounting Standard 108 on segment reporting is considered necessary.

### Note No.37

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	Numerator	Denominator	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023	Variance
1. Current Ratio	Current Assets	Current Liabilities	1.85	1.88	(1.42)
2. Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.04	0.01	515.65
3. Debt Service Coverage Ratio	Earnings available for debt services (PBT+ Interest+Dep+/- Non Cash Items)	Interest+Debt Principal Payments & Accrued	17.77	15.48	14.79
4. Return on Equity(ROE)	PAT	Shareholder's Equity	10.02	10.09	(0.66)
5. Inventory turnover ratio	Cost of Sales	Average Stock	NA	NA	NA
6. Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1.28	1.16	10.06
7. Trade payables turnover ratio	purchase of services and other expenses	Average Trade Payables	0.78	0.85	(8.25)
8. Net capital turnover ratio	Revenue	Working Capital+ noncash items	52.43	52.34	0.19
9. Net Profit Ratio	Net Profit	Revenue	18.83	19.13	(1.59)
10. Return on Capital employed	earning before interest and taxes	capital employed	13.53	13.72	(1.37)
11. Return on investment	Income from Investments	Time weighted Average Investments	1.24	1.06	16.11

NOTE: The turnover ratios are calculated considering the company's nature of industry which is service-oriented.



**Explanations for change in the ratio by more than 25% as compared to the ratio of preceding year:**

The change in the Debt-Equity ratio is due to increase in Total Debt during the year and overall increase in Other equity. The increase in Debt-service coverage ratio is due to the decrease in the amounts of loan repayments during the year.

**Note No.38**

Previous Period figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification/disclosures.

**For RAO & KUMAR**  
Chartered Accountants  
Firm Reg.No.003089S

**CA C M RAVI PRASAD**  
Partner  
Membership NO.211322  
UDIN : 24211322BKBUJN5507  
PLACE: VISAKHAPATNAM  
DATE : 16.05.2024

**For STEEL CITY SECURITIES LIMITED**

**K SATYANARAYANA**  
EXECUTIVE CHAIRMAN

**N RAMU**  
CHIEF FINANCIAL OFFICER

**SATISH KUMAR ARYA**  
MANAGING DIRECTOR

**M SRIVIDYA**  
COMPANY SECRETARY





## PROXY FORM

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

Name of the Company : Steel City Securities Limited  
 CIN : L67120AP1995PLC019521  
 Registered Office : "Steel City Heights", # 50-81-18, Main Road, Seethammapeta, Visakhapatnam, Andhra Pradesh - 530016.

Name of the Member(s)	:	
Registered Address	:	
E-Mail Id :	Folio No/ Client Id:	DP Id:
I/We, being the member(s) of _____ Shares of the above named Company. Hereby appoint		
Name :	E-Mail Id:	
Address :		
Signature, or failing him		
Name :	E-Mail Id	
Address :		
Signature :		

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 30<sup>th</sup> Annual General Meeting of the company, to be held on the 28<sup>th</sup> day of September, 2024 at the Registered office of the Company situated at "**Steel City Heights**", **50-81-18, Main Road, Seethammapeta, Visakhapatnam - 530016, Andhra Pradesh** at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions:

SI No	Resolution(s)	Vote	
		For	Against
1.	Adoption of Statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the Financial year ended 31 <sup>st</sup> March, 2024		
2.	To confirm the 1 <sup>st</sup> and 2 <sup>nd</sup> Interim Dividend and to declare final Dividend for the Financial Year 2023-24		
3.	Ratification of Appoint of Smt.G.V. Vandana who retires by rotation		
4.	Appointment of M/s. Rao & Kumar, Chartered Accountants as Statutory Auditors of the Company & fixing the remuneration		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2024

Signature of the Shareholder      Signature of Proxyholder

Signature of the Shareholder across  
Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The Proxy need not be a member of the Company.



## Route Map to the venue of the Annual General Meeting:





## ATTENDANCE SLIP

(to be handed over at the entrance of the meeting hall)

Thirtieth (30<sup>th</sup>) Annual General Meeting on the 28<sup>th</sup> day of September, 2024 at 11.45 A.M.

Full name of the Member attending the Meeting \_\_\_\_\_ (in block letters)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the Thirtieth Annual General Meeting of the Steel City Securities Limited at "Steel City Heights", # 50-81-18, Main Road, Seethammapeta, Visakhapatnam-530016, Andhra Pradesh, India on the 28<sup>th</sup> day of September, 2024 at 11.45 A.M.

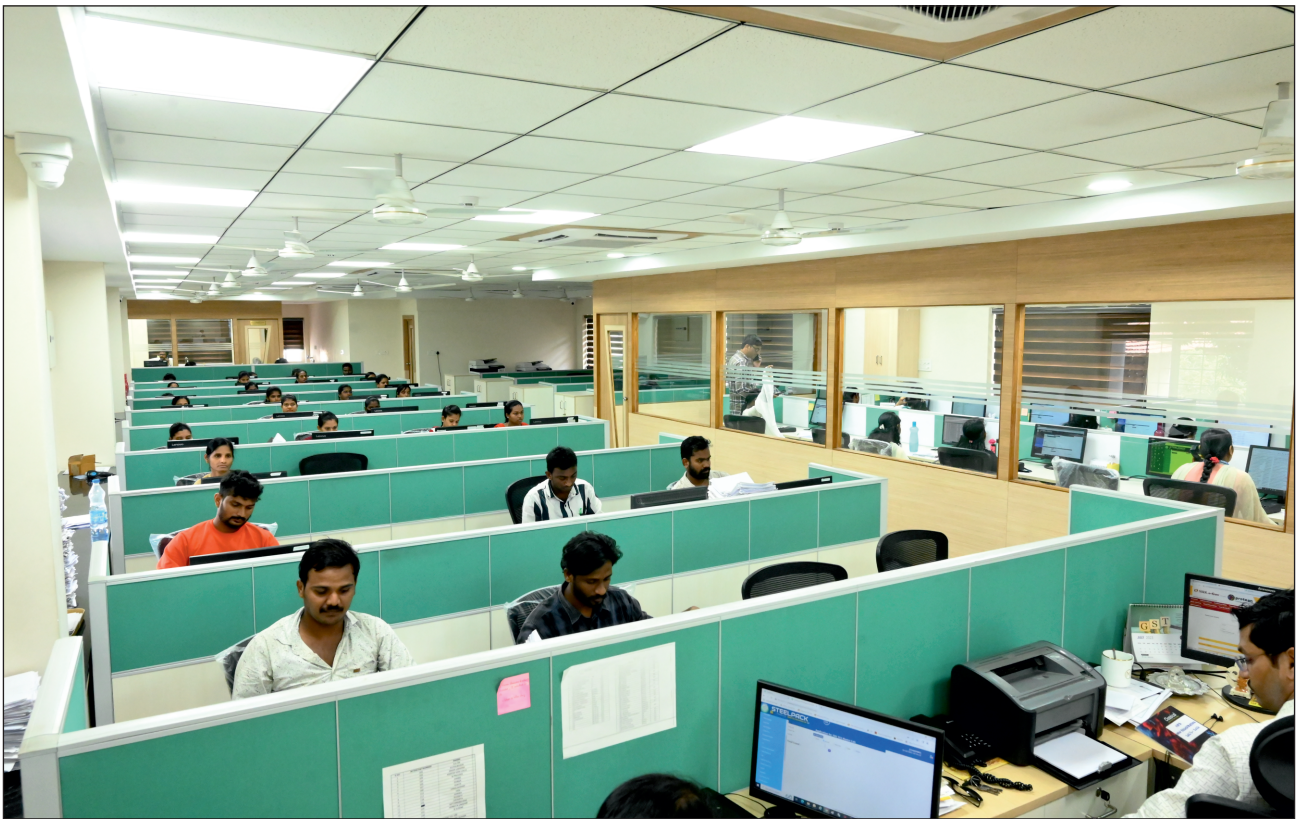
(Member's /Proxy's Signature)

### Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



Server Room



e-governance work in process

**30<sup>th</sup>**  
**Annual Report**  
**2023-24**

To

**If Undelivered, Please Return to :**



**STEEL CITY SECURITIES LIMITED**

ISO 9001 : 2015 CERTIFIED COMPANY

CIN No. : L67120AP1995PLCO19521

"Steel City Heights", 50-81-18, Main Road,  
Seethammapeta, Visakhapatnam - 530016, A.P., India.

Email : [scsl@steelcitynettrade.com](mailto:scsl@steelcitynettrade.com)

Website : <https://www.steelcitynettrade.com>