

To,

Date: 8<sup>th</sup> September, 2023

National Stock Exchange of India Ltd,  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East), Mumbai– 400051  
Maharashtra, India.

Dear Sir/Madam,

**REG: ANNUAL REPORT 2022-23 AND NOTICE OF 11<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

Dear Sir,

Pursuant to Regulation 30 and 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable provisions, please find enclosed Notice convening the 11<sup>th</sup> AGM and the Annual Report of the Company for the financial year 2022-23.

As already informed, 11<sup>th</sup> Annual General Meeting (AGM) of the Members of the Company will be held on Saturday, the 30<sup>th</sup> day of September, 2023 at 11.00 a.m. through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 14/2020 dated April 08, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 02/2021 dated January 13, 2021; 03/2022 dated May 05, 2022, 10/2022 dated December 28, 2022 and any amendment/ modification thereof issued by MCA and read with the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated May 12, 2020, Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 (hereinafter referred to as "Circulars"), and in compliance with the provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulation, 2015 ("Listing Regulations").

The Annual Report along with Notice is also being made available on the Company's website i.e. [www.suranisteel.com](http://www.suranisteel.com)

Kindly take note of the same on your records.

Thanking You,  
Yours faithfully,

**For Surani Steel Tubes Limited**

**MOHINDER SINGH**

Digitally signed by MOHINDER SINGH  
Date: 2023.09.08 18:32:14 +05'30'

**Mohinder Singh**  
**Company Secretary**

**SURANI STEEL TUBES LTD.**

**CIN:** L27109GJ2012PLC071373

**Address:** S. No.110,115, Bayad Road, Taluka Dahegam, Sampa, Gandhinagar-382315, Gujrat, India

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**SURANI**  
STEEL TUBES LIMITED

Surani Steel Tubes Limited  
Annual Report 2022-23



Strong Potential.  
Growing Prospects.

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At Surani Steel Tubes, we are at the starting line (FY24) of a long marathon that extends over the next 5-6 years.

Our potential is pivoted on our strengths

Years of experience | Strong business relations | Quality that stands out

Our prospects are platformed on the growth of India.

A shining star in the global economy | An aspiring nation that is building world-class infrastructure | An economy that is surging up the global pecking order

We are readying ourselves for an exhilarating future that will comprise of new products, new capacities and new capabilities.

We have set ambitious target that will inspire the team to journey ahead with zeal and energy.

We look forward to a very exciting and promising tomorrow. One that promise to uplift the organisation into a completely new orbit of growth."

## About us

# Surani Steel Tubes Ltd is a brand that represents brilliance.

The Company manufactures ERW pipes and steel tubes. Established in July 2012, the Company has created a strong position for itself within the steel tubes space. The Company's business operations are managed by industry stalwarts with decades of experience in the steel business.

Headquartered in Ahmedabad, the Company's manufacturing facility is located at Dahegam, Gujarat and houses sophisticated equipment that is capable of rolling out 40,000 MTPA of steel tubes annually.

The Company offers a wide array of steel tubes for diverse applications. The Company's passion for quality is reflected in its sizeable investment in a sophisticated testing lab and professionals who ensure that every product leaving its manufacturing site matches customer requirements

60

Team size  
(March 31, 2023)

12,360.34

Revenue, FY23  
(₹ in Lakh)

56.78

EBITDA, FY23  
(₹ in Lakh)

149.73

Loss for the year, FY23  
(₹ in Lakh)

2,278.18

Networth, FY23  
(₹ in Lakh)



## Core Purpose

To make people more competitive and successful in their ventures by providing uninterrupted supply of quality solutions.



## Our Vision

To make a difference in this highly competitive world, you need to have a clear and focused vision. Considering this fact, Surani steel has established its crystal clear vision, blending its aspirations and efforts together to bring in the change for better. We strive to become the world's leading ERW MS Pipes and steel tubes manufacturers. We aim to establish our yardstick for creating quality creation while adhering to expectations of Corporate Social conscience. We work constantly to turn our vision into reality through core values, dedicated team working, cultivation of talent and putting passionate ideas in frame.

## Our major products



### ERW MS Pipes

(Round pipes, square and rectangular hollow sections)

These are manufactured by low frequency or high frequency resistance. They can be manufactured in different shapes like round, rectangular and square. Electric Resistance Welded Pipe are widely being used in plumbing, water supply systems and oil & gas transmission system.



### HR Slit Coil

It is produced from the hot rolling process in the Hot Strip Mill facility. Generally its width ranges from 70mm to 500mm while its thickness ranges between 1.2mm and 405mm. It is usually used in various heavy duty industries.

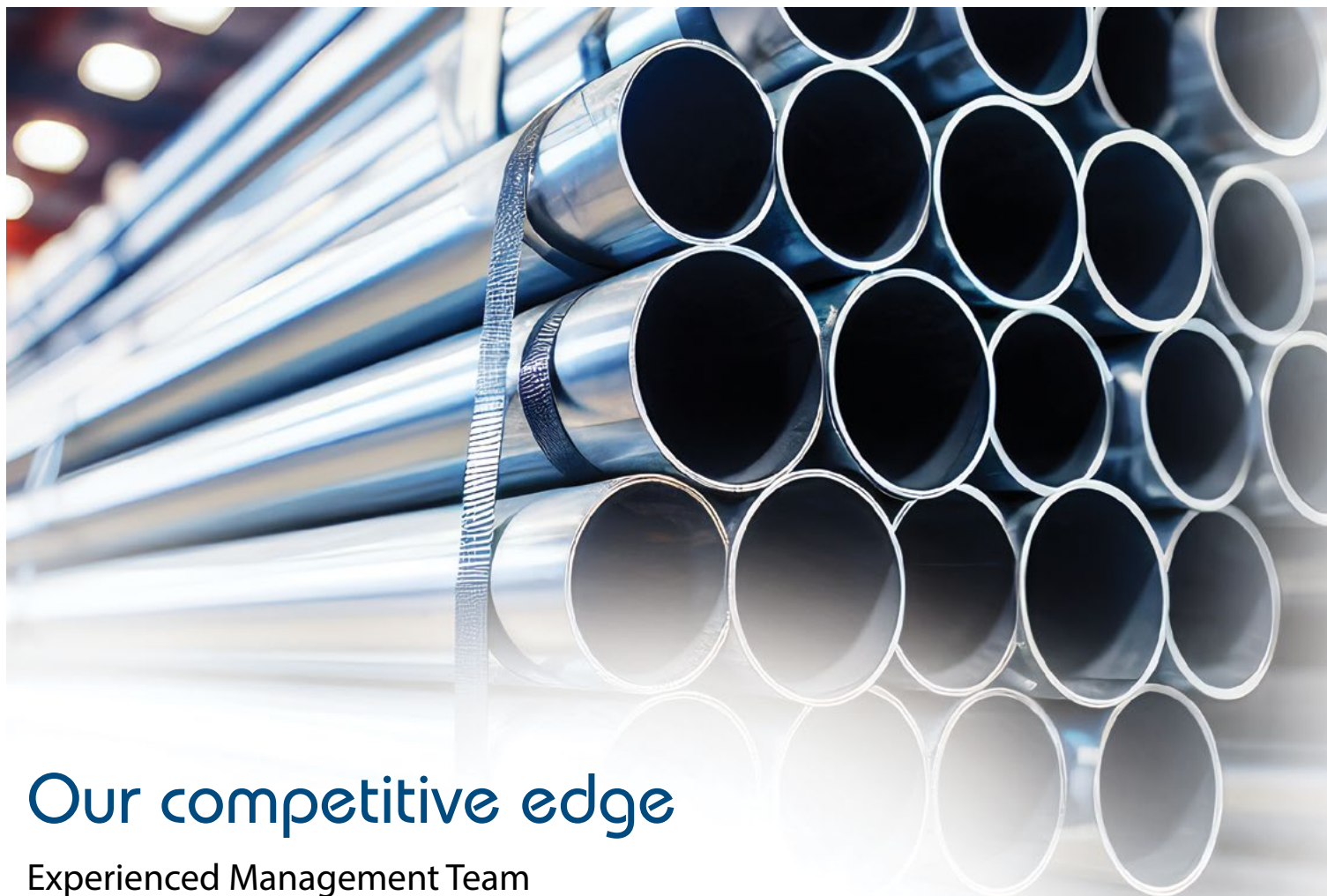


### HR Coil

It is also produced from the hot rolling process in the Hot Strip Mill facility. It is used in industries like pipe engineering, construction etc.

## Our key customers





## Our competitive edge

### Experienced Management Team

Our strong management team gives our business credibility and good corporate reputation. Our promoters and senior management team's extensive industry knowledge have played a pivotal role in the Company's growth. Their expertise and experience will help Surani to capitalise effectively on present and emerging opportunities.

### Quality Products

We are a quality conscious company that values producing high quality goods. Our management team is zealously committed to minimise quality issues. Our quality certifications serve as a testament to our reliable systems and procedures that have been created with years of patient improvement efforts.

### Diversified Product Range

Our business offers a large basket of products to meet client needs. Our product line consists of a wide array of pipes in sizes and specifications ranging from 20 Nb to 100 Nb, with wide-ranging uses in the engineering, architectural, and infrastructure sectors.

### Locational Advantage

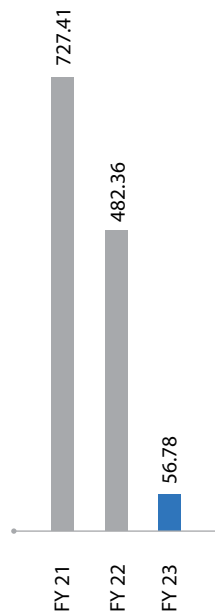
We conduct business from a manufacturing site in Gujarat's Dahegam, Gandhinagar, which is strategically situated and has excellent road access to the rest of the nation.

# Key Performance Indicators

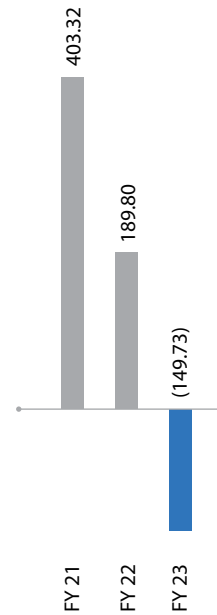
Income from Operations  
(₹ Lakh)



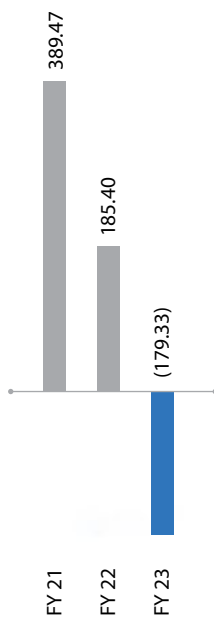
EBITDA  
(₹ Lakh)



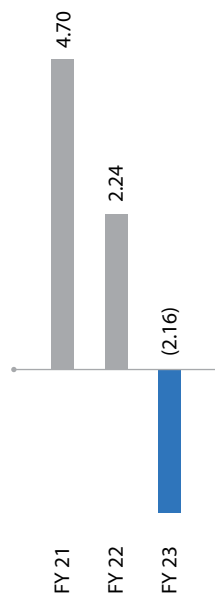
Profit before Tax  
(₹ Lakh)



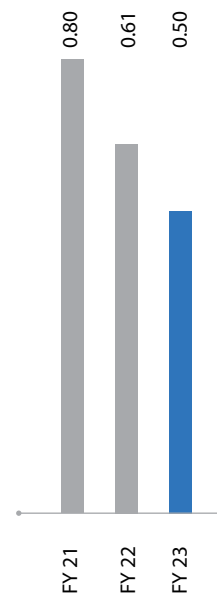
Net Profit  
(₹ Lakh)



Earnings per Share  
(₹ Lakh)



Debt-Equity Ratio  
(₹ Lakh)



Statement from the  
Managing Director

"We are at the cusp of an exciting journey as we move forward. The potent combination of India's promising Marathon story over the next decade and our enhanced potential consequent to our strategic expansion provides considerable promise for accelerated growth."

Vijay Singla  
Managing Director



## Dear Shareholders,

It is a pleasure to connect with you through this statement to share your Company's progress during fiscal 2022-23 and our prospects in the current year and beyond.

The global human conflict between Russia and Ukraine unleashed a wave of uncertainty as restricted trade policies resulted in a sudden spike in commodity prices and a fractured global supply chain, adversely impacting the progress of economies worldwide.

India deftly maneuvered through prevailing challenges to emerge as one of the world's fastest-growing major economies, underpinned by the Government's capital expenditure and robust domestic consumption.

While it created business opportunities for Indian business enterprises, elevated inflation and rising interest costs impacted the business profitability of most enterprises. We were not immune to this reality.

While our revenue from operation was a shade less than the previous year's level, our profits and profitability dropped considerably. We reported a negative bottomline of ₹179.33 lakh.

I believe our below-par performance is an aberration to our positive business journey, and I am confident of a trend reversal in the near term.

My optimism stems from a resurgent India that is taking purposeful strides towards

the vision of Amrit Kaal. Our nation has been recognized by the International Monetary Fund (IMF) as a "bright spot" and a significant driver of global growth and is expected to contribute only 15% of the global growth in 2023. India is at a point where it will continue to clock the highest growth rate among the top five economies in the world.

The remarkable transformation of our economy across multiple dimensions has fuelled unbounded aspirations, hope and optimism for the future.

Moreover, with infrastructure being the central theme for spurring India's economic progress, the growth opportunities for steel pipes are expected to abound.

Drilling down to specifics, water is expected to emerge as an essential business opportunity for your Company.

The Government, through the "Jal Jeevan Mission," in partnership with states, aims to make provision of potable tap water supply in adequate quantity, of prescribed quality and on a regular and long-term basis to every rural household by 2024.

Aligning with this ambition, the Union Budget 2023-24 has allocated a massive ₹70,000 crore to implement the Jal Jeevan Mission.

The state governments have also sharpened their focus on water connectivity in keeping with the Center's aim. The Rajasthan Government, in light of the groundwater conditions, has sanctioned five major surface water projects for Jal Jeevan Mission

connections. The Gujarat Government has also initiated various projects for providing water to its residents.

These efforts promise to open new opportunity windows.

At Surani Steel, we are increasing our capacity from 40,000 TPA to 300,000 TPA in a phased manner. The total capacity should be operational in 2027.

As part of the project, we are installing a Galvanizing Plant to produce high-quality GI Pipes, allowing us to widen our application horizon across diverse sectors and thereby emerging as a single-stop solution to all customer needs. We will also invest in contemporary equipment to manufacture bigger DIA heavy-thickness pipes. These strategic investments will expand our product basket to 600 SKUs from 300, with a more significant proportion of the SKUs being value-added products.

We are at the cusp of an exciting journey as we move forward. The potent combination of India's promising Marathon story over the next decade and our enhanced potential consequent to our strategic expansion provides considerable promise for accelerated growth.

In conclusion, I would like to thank our entire team for their relentless support and appreciate their commendable job. I sincerely thank all our stakeholders for their faith and support in our journey.

Warm Regards,  
**Vijay Singla**  
*Managing Director*



# Management Discussion and Analysis

## Indian Economy

India's economy showcased significant growth in the January-March quarter of 2022-23, with a GDP growth rate of 6.1%.

According to Quantico Research, the GDP growth in Q4 FY23 was more significant than anticipated, which was a welcome surprise. It appears to have been fueled by a general improvement in domestic drivers of private consumption, state consumption, and investments. Another consolation was the decreasing external trade imbalance. These factors contributed to an annual growth rate of 7.2%.

The growth boosted the Indian economy to US\$ 3.75 trillion and prepared the ground for it to reach the US\$ 5 trillion goal in the coming years.

Private consumption increased steadily and reached its highest level since 2006-07 at 58.5%, representing sustained growth, while exports of goods and services amounted to 23.5% of GDP, the highest level since 2014-15. From 2011 to 2023, India's GDP from Manufacturing rose from ₹5,088.17 billion to an all-time high of ₹7,382.00 billion. The gross GST revenue for the fiscal year 2022-2023 was ₹18.10 lakh crore, an increase of 22% over the prior year.

As we advance, global growth is anticipated to slow down in 2023 and remain largely muted in the following years. India's CAD in FY24 will likely increase due to the decreasing demand driving down commodities prices globally.

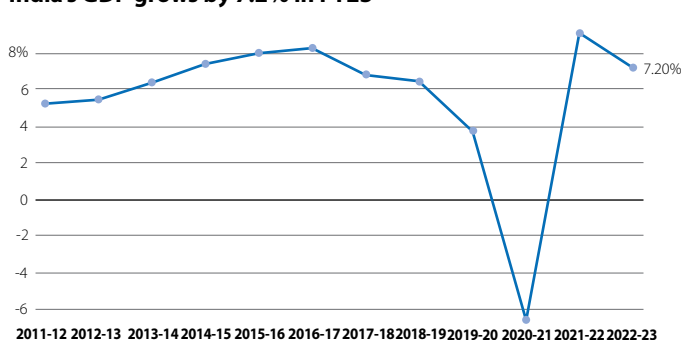
However, a quick rebound mainly spurred by domestic demand and, to a lesser extent, by exports poses a downside risk to the current account balance. With the improvement of the business and banking sectors' balance sheets, growth in India is anticipated to be rapid in FY24 due to a robust credit disbursal and capital investment cycle.

Even as India's outlook remains encouraging, global economic prospects for 2023 have been weighed down by the combination of a unique set of challenges expected to result in a few downside risks.

**India's GDP grows at 6.1% in January-March 2023**



**India's GDP grows by 7.2% in FY23**



## Indian Infrastructure:

The Government's expenditure on infrastructure is a captive source of income for big infrastructure players – cement and steel makers. The infrastructure sector's strength was what let the Indian economy withstand the threat posed by the pandemic. The Government's current infrastructure spending and domestic demand are putting the nation at the peak of a positive growth cycle.

The Government of India has approved investment proposals worth ₹564.2 billion (US\$ 6.88 billion) to state governments under a scheme that gives interest-free loans for infrastructure spending. While addressing the budget for 2023-24, the finance ministry declared that it would provide special assistance to states by extending 50-year interest-free loans worth ₹1.3 trillion during the ongoing financial year.

The Government's increased spending on infrastructure in FY 24 will push engineering, procurement, and construction companies to hit revenue growth of 17-20% and shoring their profitability. In the Budget 2023-24, the Government has increased the outlay for capital expenditure on the infrastructure sector by 33% from ₹7.5 lakh crore to ₹10 lakh crore. This buoyancy is supported by the expected strong order inflows owing to the Government's focus on infrastructure in the latest budget.

### Government Programs

The Government has been focusing on policies to ensure world-class infrastructure creation promptly. Some of the schemes are :

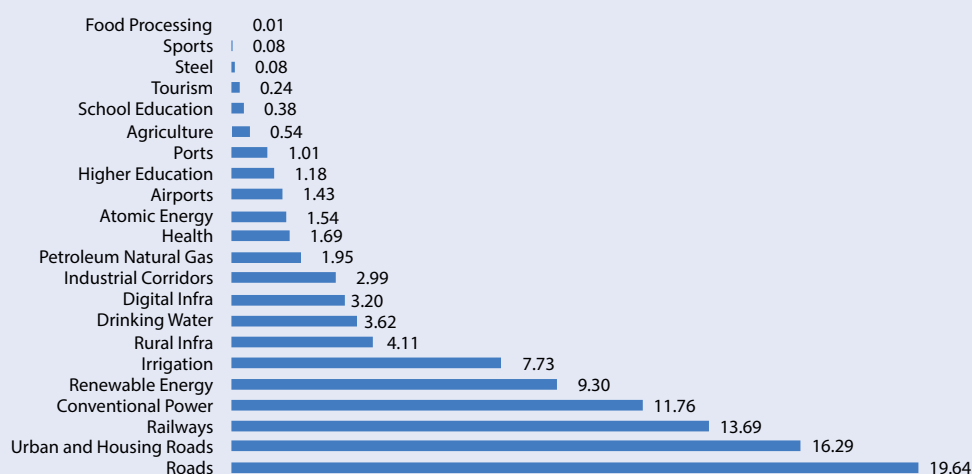
**National Infrastructure Pipeline:** The main emphasis of this is on ease of living. It is a group of social and economic infrastructure

projects slated to be established over five years. The NIP will fulfill all the crucial factors that will help India achieve its target of becoming a US\$ 5 trillion economy by the financial year 2025.

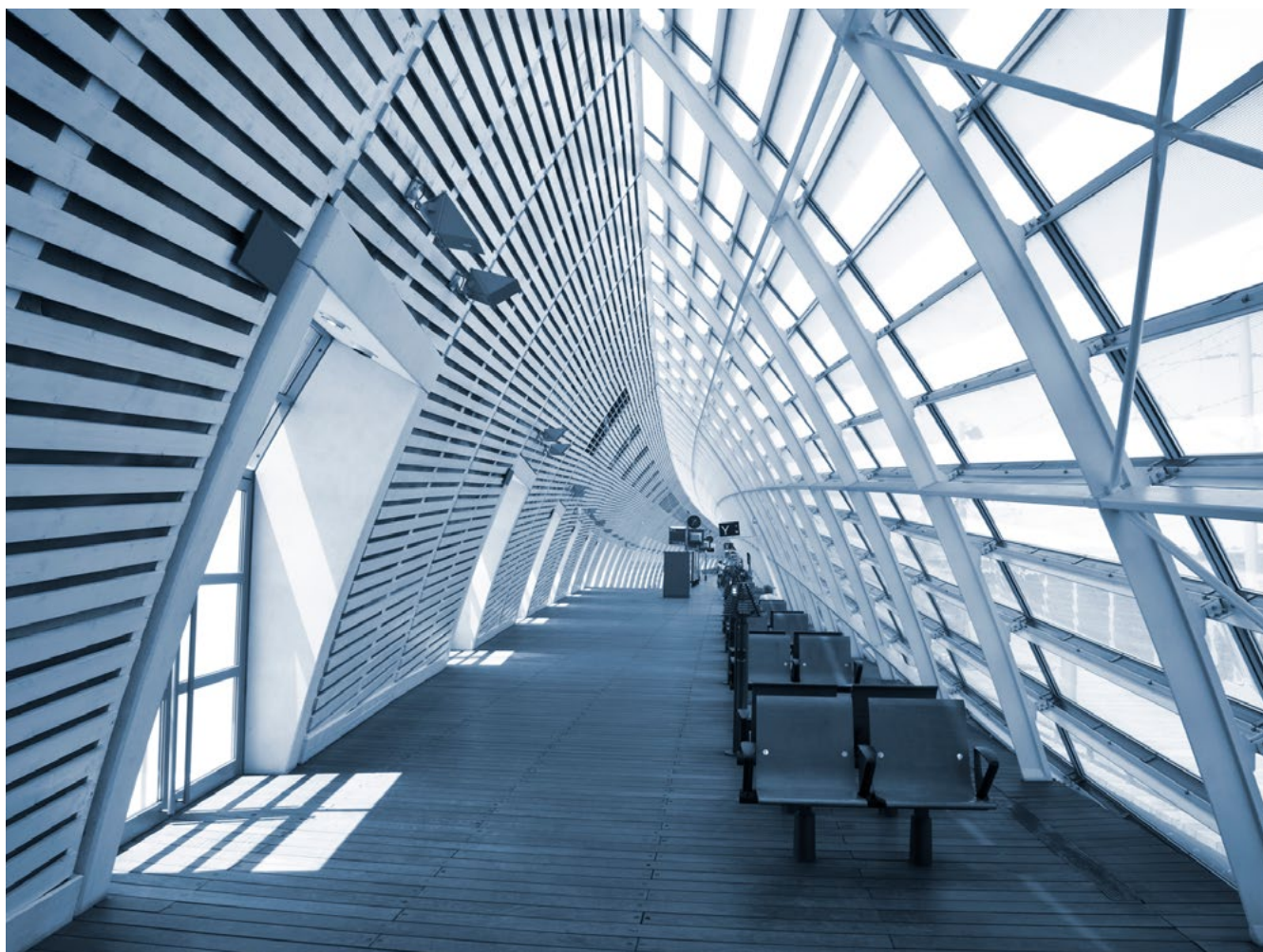
**National Logistics Policy:** This policy aims to develop infrastructure, expand business and increase employment opportunities. This policy will attract global investments and help the country compete better with China and the USA in the globalisation age. The policy will improve the infrastructure, such as roads, rail and waterway networks, airports, logistics hubs, and digital services related to the sector. The logistics services will improve drastically and aid in India's mission - Self-Reliant India.

## Sector-wise break-up of the NIP

Values in ₹ Lakh Crores



Roads, urban and housing, railways, power (renewable and conventional) and irrigation to comprise ~80% of the NIP



## Indian Water Infrastructure:

A large number of Indians experience moderate to severe water stress. This difficulty is worsened by India's reliance on a monsoon that is becoming more unpredictable for its water needs. Even as the country experiences more floods and droughts, climate change will likely worsen this demand for water resources. However, by tackling these problems and creating an ecologically sound framework, India has continued to lead numerous international projects to safeguard the environment and its water supplies.

Since 1980, there has been an increase in water infrastructure in India. The country conserves only a tiny portion of its erratic rainfall across regions. Unlike arid-rich

countries (such as the United States and Australia) – which have built over 5,000 m<sup>3</sup> of water storage per capita – and China – which can store over 1,000 m<sup>3</sup> per capita – India's dams can only store about 200 m<sup>3</sup> per person.

The Government has taken several initiatives in this area, from establishing a dedicated ministry for water resources to putting into practice a comprehensive strategy for conservation. With the advent of the Jal Jeevan Mission in 2019, about five crore households have rapidly been provided with similar water connections over the last two years – more than the number of households that obtained such connections in the last sixty-five years. This was launched to provide all rural families access to clean and sufficient drinking water through individual household tap

connections by 2024. It was designed to help the enormous and underprivileged rural Indian population.

Recently, on April 24, 2022, Mission Amrit Sarovar was launched to construct at least 75 ponds to overcome the water crisis in rural areas. Achieving resounding success in water conservation measures within months of its launch, more than 25,000 ponds have been constructed as part of the Yojana. Another initiative started for water conservation is the campaign 'Catch the Rain' under the flagship scheme of the Jal Shakti Abhiyaan. They initiated to promote awareness and put a special action plan for rainwater conservation in the country. As part of this campaign, the Government has increased awareness of issues like planting trees, cleaning up, building puddles, and other activities.



## Steel Industry

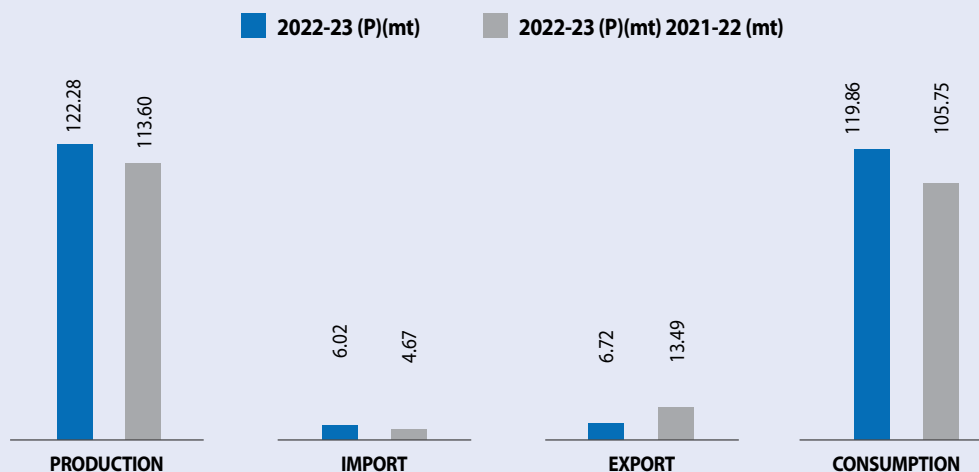
India currently ranks as the World's 2nd Largest Producer of Crude Steel, surpassing Japan in 2018, with an output of 33.2 MT in January-March 2023, showing a yoy growth of 3.0%. India is a net steel exporter, witnessing an export of 6.72 MT of finished steel against the import of 6.02 MT in 2022-23. The country was a net importer of steel in 2014-15 with 9.32 MT imports Vis-à-vis the export of 5.59 MT.

India's finished steel consumption increased by 12.7% on the year to 119MT in 2022-23, while crude steel output rose by 4.2% against the previous year to 125MT, according to provisional data from the steel ministry's joint plant committee.

The Indian Steel Association (ISA) forecasts a 7.5% growth in steel demand in fiscal year 2023-24 to 128.85MT, driven by strong infrastructure spending. The association also expects a 6.3% growth in steel demand to 136.97MT in fiscal year 2024-25.

Key parameters	FY 2014-15	FY 2022-23	% increase
Crude steel Capacity (MT)	109.85	160.3	46%
Crude steel Production (MT)	88.98	126.26	42%
Total Finished Steel Production (MT)	81.86	122.28	49%
Consumption (MT)	76.99	119.86	57%
Per capita steel consumption (in Kg)	60.8	86.7	43%

### PERFORMANCE OF INDIAN STEEL INDUSTRY





## Steel Pipes and Tubes

With a nearly 8% contribution to India's steel consumption, the Indian steel pipe industry is one of the significant verticals in the Indian steel industry. Steel pipes and tubes are produced in various diameters depending on the purpose and can be divided into two categories: Submerged Arc Welded and Seamless (S&S) and Electric Resistant Welded (ERW). The industry has been valued at roughly 50,000 crores overall, with value shared equally between the two categories.

The global Steel pipes and tubes market size was US\$ 94 billion in 2022 and is expected to reach a value of US\$ 122.65 billion in 2032 and register a revenue CAGR of 3% during the forecast period. The primary factors driving the market revenue growth are emerging nations' rapid industrialisation and growing requirement for infrastructure development. Manufacturers are constantly developing technologically advanced products to address the demand for efficient and long-lasting steel pipes and tubes.

Due to increased demand from several end-use industries, including oil and gas, construction, the automobile industry, and others, the market for steel pipes and tubes is proliferating. Due to their extensive usage

in transporting and distributing oil and gas, steel tubes and pipes are in great demand. The World's growing urbanisation and population, which have raised the demand for residential and commercial buildings, are other factors driving the need for steel pipes and tubes.

One of the main factors driving the growth of the steel pipes and tubes market is the rising demand for reliable and durable infrastructure, particularly in emerging economies. Due to considerable expenditures made by various governments in infrastructure projects like roads, bridges, and airports, there is an increase in demand for steel pipes and tubes.

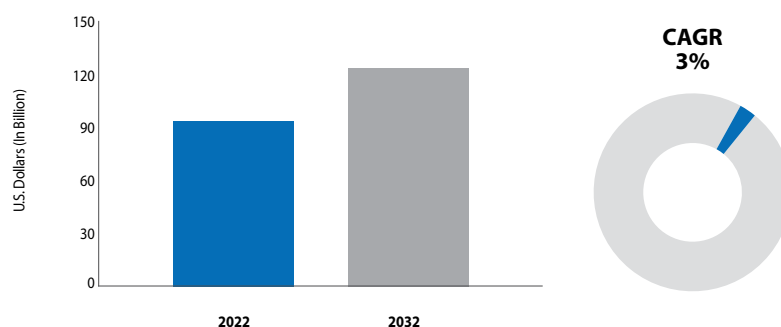
The market is also growing due to the rising need for steel pipes and tubes in the automotive sector. Steel pipes and

tubes are extensively used to manufacture automobile components such as fuel injection, structural, and exhaust systems.

Seamless steel pipes and tubes are a significant market driver due to their exceptional attributes, including high strength, corrosion resistance, and lifespan. These pipes are widely used in various systems, such as those for oil and gas exploration, hydraulic systems, and power generation.

However, the market for steel tubes and pipes also confronts several challenges, such as varying raw material costs, increased competition from replacement materials, and stringent government regulations restricting the use of particular chemicals in the manufacturing process.

**Steel Pipes and Market Size, 2022-2032**





## About the Company

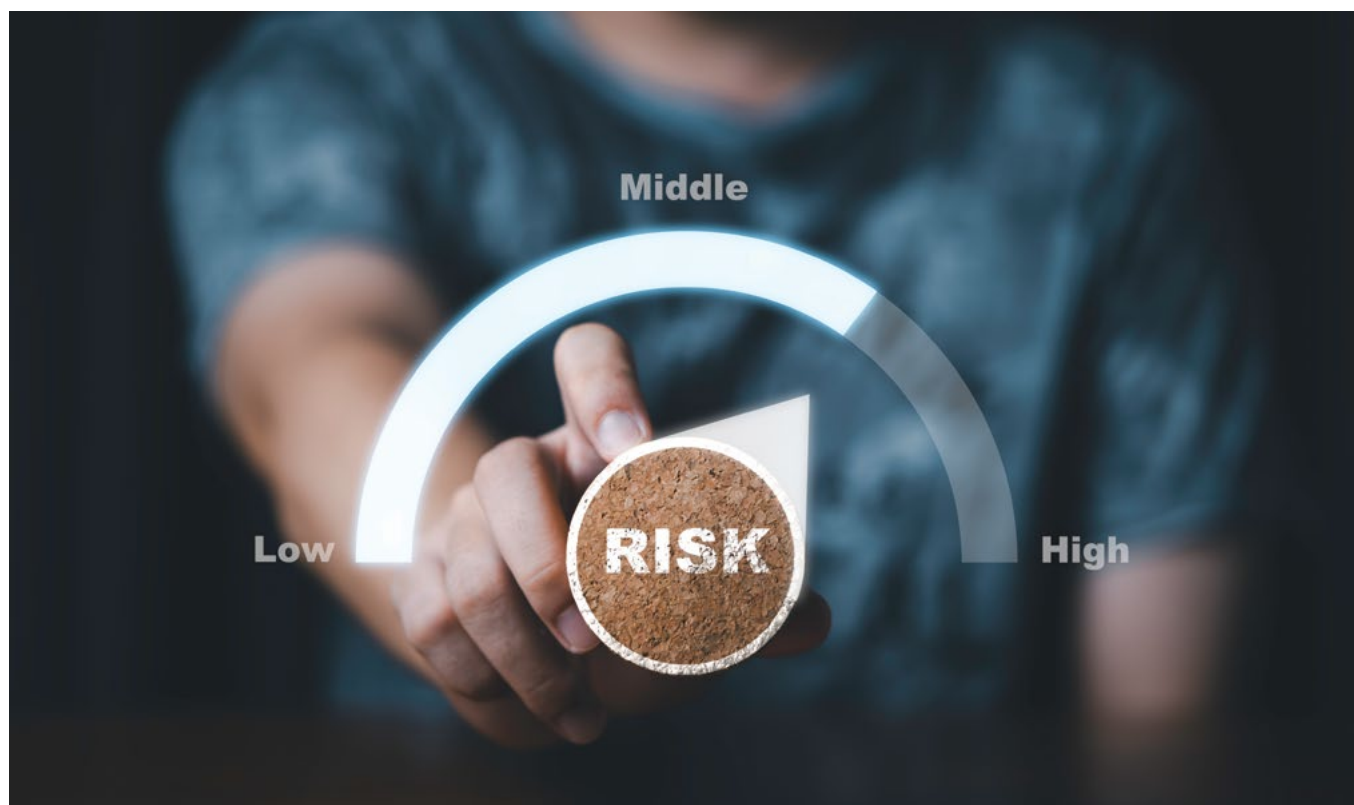
Surani Steel Tubes Limited launched its operations in July 2012 on a solid foundation built by years of industry experience. Surani Steel's brand stands out as a reliable brand in steel tubes and ERW pipes sector. The Company is managed by experienced professionals with decades of experience in ERW / MS pipe and steel tube manufacturing.

## Human Resource

At Surani, we have focused on creating a future-ready workforce. We nurture talent through our best-in-class working environment and numerous learning opportunities. This has helped us build a strong team with the best candidates committed to the Company's goals and values. We consistently emphasise accountability and ownership to encourage our workers to participate equally in every stage of growth journey.

## Financial Performance

Particulars	FY23	FY22	%change	Reason for Change
<b>Stability Ratios</b>				
Debt Equity Ratio	0.5	0.61	-18.25	
Debt Service Coverage Ratio	0.04	2.2	-98.18	Reduced due to decrease in net profit
Interest Coverage Ratio	-0.37	2.22	-116.58	Reduce due to increase in EBIT
<b>Liquidity Ratios</b>				
Current Ratio	2.04	1.5	35.96	Due to increase in current asset compared to current liabilities
Debtor Turnover Ratio (days)	39	13	200	Increase in trade receivable and decrease in net sales
Inventory Turnover Ratio (days)	51	72	29.17	Decrease in inventory and decrease in sales in not in same ratio
<b>Profitability Ratios</b>				
Operating Profit Margin (%)	0.5	3.5	-85.71	Due to increase in operating profit
Net Profit Margin (5%)	-0.01	0.01	-207.02	Due to loss in current year



## Internal Control System and Adequacy

The Company's internal controls are commensurate with its size and the nature of its operations. They have been designed to provide reasonable assurance about recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use and ensuring compliance with corporate policies. The all-encompassing control framework covers all critical business functions, including governance, compliance, audit, control and reporting.

The Company's state-of-the-art ERP system and stringent procedures ensure high accuracy in recording and providing reliable financial and operational information, meeting statutory compliances.

The Company's internal audit team keeps a close eye on business operations, and any deviations are promptly brought to the notice of the leadership. The Internal Audit reports are periodically reviewed by the management and the Audit Committee of the Board, and necessary improvements are undertaken if required.

## Risk Management

At Surani Steel, our risk strategy is determined by a risk appetite defined by a series of risk criteria. The criteria are based on sectoral circumstances, liquidity available and our earnings target within accepted volatility limits. These criteria provide a reference for our operating divisions.

The Company's risk management framework encompasses strategy and operations and seeks to proactively identify, address and mitigate existing and emerging risks to make the business model emerge stronger and ensure that profitable business growth becomes sustainable.

### Cautionary statement

Statements in this document/discussion relating to future status, events, or circumstances, including but not limited to statements describing the Company's objectives, projections, estimates and expectations, may be 'forward-looking statements' within the meaning of applicable laws and regulations. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those expressed or implied in the statements. Important factors that could make a difference to your Company's operations include economic conditions affecting demand/supply and price conditions in the market in which the Company operates, changes in Government regulations, tax laws and other statutes and other incidental factors.

## Our Board of Directors



**Mr. Vijay Singla**

*Managing Director*

Mr. Vijay Singla aged around 56 years is a renowned industrialist. He has to his credit, around 35 years of experience in iron and steel industry, steel and galvanized pipes in field of manufacturing, units set up and operations, funding, financial planning, market and overall operations of iron and steel industry.



**Mr. Chetan Singla**

*Managing Director*

Mr. Chetan Singla, aged 35 years is a renowned industrialist. He has to his credit, around 15 years of experience in iron and steel industry, steel and galvanized pipes and real estate in fields of manufacture, units set up and operations, funding, financial planning, marketing and overall operations of iron and steel industry.



**Ms. Pavni Singla**

*Additional Director & Chief Financial Officer*

Ms. Pavni Singla is Master in Management from HEC Paris and Bachelor in Economics and Finance. She is young & energetic aspirant having expertise in capital management and cost budgeting. She has served as Senior Financial Consultant at A.T. Kearney.


**Mrs. Sangeeta Mehtani**
***Non-Executive Independent Director***

Mrs. Sangeeta Mehtani, aged 59 years, had done her post-graduation in Organic Chemistry from Punjab University and is having a well-versed experience in the academic segment and had served as an Associate Professor for 30 years in PG Govt. College for Girls, Chandigarh and got recorded as a Principal of PG Govt. College for Women.

She is also involved in various social activities in the welfare of general public and is associated with various NGOs. She has to her credit experience of 33 years in the field of Education, general administration, Human Resources and management.


**Mr. Kailash Garg**
***Non-Executive Independent Director***

Mr. Kailash Garg, aged 61 years and had completed his Bachelor of Engineering (Civil) from Thapar Institute of Engineering and Technology (now Thapar University), Patiala.

He is having a work and administrative experience of nearly 40 years in the field of construction of residential, commercial and industrial establishments. Had also worked as Sub-Divisional Engineer and Executive Engineer in Chandigarh Administration Undertaking for 29 years. He had also looked after various Public health and Civil Engineering projects and also worked in the Administrative Section. Worked on various construction projects in Rail Coach Factory, Kapurthala (Punjab) and TV Tower, Kasauli (Himachal Pradesh).


**Mr. Gurpreet Singh Bhatia**
***Non-Executive Independent Director***

Mr. Gurpreet Singh Bhatia, aged 43 years, had done his Graduation in Commerce from Khalsa College, Amritsar and is a member of Institute of Chartered Accountants of India, since 2003.

He served as an Assistant Vice-President in HDFC Bank Limited for 11 years and is now a partner in a firm named Preet Kamal and Co. and is having an expertise as a Forensic Auditor and Concurrent Auditor and is having diversified knowledge and experience of around 18 years in the field of finance, taxation, law and other allied matters

## Our Management Team



**Mr. Mohinder Singh**

*Company Secretary*

Mr. Mohinder Singh is an Associates Member of the Institute of Company Secretaries of India (ICSI) having more than 20 years' experience in the field of SEBI Compliance, Secretarial, Legal, Finance & Accounts. During his career, he has served as key employee in listed entities like JTL Industries Limited, Ind Swift Laboratories Ltd, Surya Pharmaceutical Limited and Stylam Industries Limited. He is also having international exposure of serving as Chief Manager-Finance & Administration in SIPHAR S.A., a renowned Pharmaceutical Company in Bujumbura, Burundi.



**Mr. Ronak Mistry**

*Sales & Marketing Head*

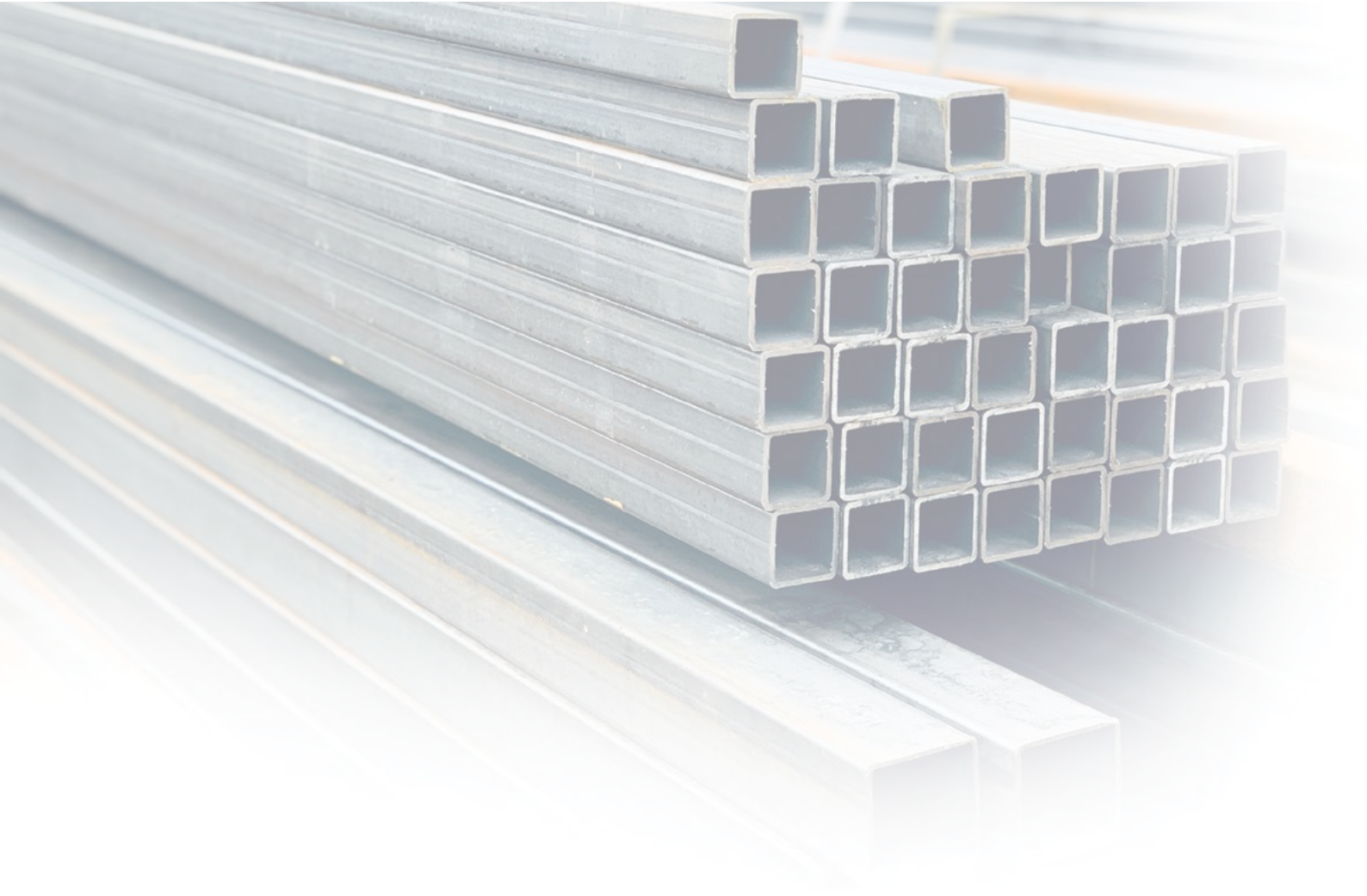
Mr. Ronak Mistry is Master in Business Administration (MBA) having more than 11 years of healthy sales experience in steel industry. He is expertise in handling sales and marketing of MS pipes in Gujarat, Indore, Mumbai and part of Rajasthan. At Surani Steel Tubes Limited, his responsibility is to use various strategic sales methods to acquire, develop and retain customers. He has ability of designing sales schemes for dealers according to their sales potential.



**Ankur Patel**

*Operations Manager*

Mr. Ankur Patel, Bachelor in Business Administration (BBA) and associated with Surani Steel for more than 7 years. He key responsibility areas is manage all production planning, dispatch of goods at minimum cost, coordination with marketing team for timely delivery of customer's orders.



# Statutory Reports & Financial Statements

# CORPORATE INFORMATION

## Board of Directors

**Mr. Vijay Singla** - Managing Director  
(appointed w.e.f. July 20, 2023)

**Mr. Chetan Singla** - Joint Managing Director  
(appointed w.e.f. July 20, 2023)

**Mr. Dinesh Karshan Patel** - Managing Director  
(ceased w.e.f. July 20, 2023)

**Mr. Mukesh Patel** - Joint Managing Director  
(ceased w.e.f. July 20, 2023)

**Ms. Pavni Singla** - Additional Director and Chief Financial Officer  
(appointed w.e.f. Aug 24, 2023)

**Mr. Karshanbhai Patel**, (Non-Executive Director)  
(ceased w.e.f. May 03, 2023)

**Ms. Hetika Sagar, Chandini** (Independent Director)  
(ceased w.e.f. May 03, 2023)

**Mr. Dineshbhai Dhanjibhai Patel**, (Independent directors)  
(ceased w.e.f. May 03, 2023)

**Mr. Gurpreet Singh Bhatia** -  
Non-Executive Independent Director  
(appointed w.e.f. May 3, 2023)

**Mrs. Sangeeta Mehtani** -  
Non-Executive Independent Director  
(appointed w.e.f. May 3, 2023)

**Mr. Kailash Garg** -  
Non-Executive Independent Director  
(appointed w.e.f. May 3, 2023)

## Chief Financial Officer (CFO)

**Mr. Gaurav Rajeshbhai Patel**  
(Ceased as CFO w.e.f. August 24, 2023)

**Ms. Pavni Singla**  
Chief Financial Officer  
(Appointed as CFO w.e.f. August 24, 2023)

## Company Secretary

**Ms. Shwetal Ritesh Maliwal**  
(ceased w.e.f. May 03, 2023)

**Mr. Mohinder Singh**  
(appointed w.e.f. May 03, 2023)

## Statutory Auditor

**M/s. Ambalal Patel & Co.**, Chartered Accountants  
FRN:100305W  
(ceased w.e.f. August 24, 2023)

**M/s. Anu and Associates**, Chartered Accountants  
FRN 019624N  
(appointed w.e.f. August 24, 2023)

## Secretarial Auditors

Sejal Shah & Associates, Company Secretaries  
CP No. 21683

## Cost Auditors

M/s. C. B. Modh & CO.  
FRN:101474

## Internal Auditors

M/s. S. N. Shah & Associates  
FRN:109782W

## Bankers

HDFC Bank Ltd , Dahegam, Gandhinagar  
HDFC Bank Ltd. Industrial Area, Phase-I, Chandigarh

## Registered Office

S. No.110, 115, Opp. Vinayak TMT, Bayad Road, Sampa, Tal. Dahegam,  
Gandhinagar-382315

## Corporate Identity Number

L27109GJ2012PLC071373

## Website

[www.suranisteel.com](http://www.suranisteel.com)

## Investor Services Email ID

[cs@suranisteel.com](mailto:cs@suranisteel.com)

## Registrar and Share Transfer Agent

### Link Intime India Private Limited

5<sup>th</sup> Floor, 506 to 508, Amaranth Business Centre1 (Abc-1), Beside  
Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road,  
Ellisbridge, Ahmedabad-380006

Email Id: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

Website: [www.linkintime.co.in](http://www.linkintime.co.in)

# NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Eleventh (11<sup>th</sup>) Annual General Meeting of **Surani Steel Tubes Limited** will be held on Saturday, September 30, 2023, at 11:00 a.m. (IST) through Video Conferencing and Other Audio-Visual Means, to transact the following businesses:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. to re-appoint Mr. Chetan Singla (DIN: 00549795), Director, who retires by rotation and being eligible, offer himself for re-appointment.
3. **To Regularize Casual Vacancy for Appointment of Statutory Auditors**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) M/s. Anu and Associates Chartered Accountants, (Registration No. 019624N), be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s Ambalal Patel & Co., Chartered Accountants (ICAI Firm Registration No.100305W)

**“RESOLVED FURTHER** that M/s. Anu and Associates, Chartered Accountants, (Firms Registration No. 019624N), be and are hereby appointed as Statutory Auditors of the Company to hold the office from 24<sup>th</sup> August, 2023, until the conclusion of this 11<sup>th</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Managing Director of the Company.”

4. **To approve appointment of M/s Anu & Associates, Chartered Accountants (Firm Registration No. 019624N) as Statutory Auditor of the Company:**

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

**“RESOLVED THAT** pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or

re-enactments thereof for the time being in force) M/s. Anu & Associates, Chartered Accountants, (Firm Registration No. 019624N), be and are hereby appointed as Statutory Auditors of the Company to hold office for a period of five years, from the conclusion of the 11<sup>th</sup> Annual General Meeting till the conclusion of the 16<sup>th</sup> Annual General Meeting of the Company to be held in the year 2028 at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

## SPECIAL BUSINESS:

5. **To appoint Mr. Vijay Singla (DIN: 00156801) as Managing Director of the Company**

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the “Applicable Laws”) and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and subject to approval of members in the general meeting, the consent of the Board of Directors be and is hereby accorded to change the designation of Mr. Vijay Singla (DIN: 00156801) from Non-Executive Director to Managing Director of the Company for a period of 3 years commencing from 20<sup>th</sup> July, 2023 at a remuneration of ₹ 3.00 Lakhs per month, with full liberty to the Board of Directors (hereinafter referred to as the “Board” which shall be deemed to include the Nomination & remuneration Committee of the Board) to revise/ alter/ modify/ amend/ change the terms and conditions as may be agreed to by the Board and Mr. Vijay Singla within the applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Vijay Singla, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** in the event of no profit or the profit of the company is inadequate, during the currency of tenure of managerial personnel, the company may pay

remuneration to the managerial remuneration not exceeding the limit under section II of the Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed above including any statutory modifications or re-enactment thereof from time to time as prescribed by the Government.

**RESOLVED FURTHER THAT** the Executive Directors & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

**6. To appoint Mr. Chetan Singla (DIN:00549795) as Joint Managing Director of the Company**

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

**"RESOLVED THAT** the provisions of Sections 196, 197, 198, read with Schedule V and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and as per relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") and the Articles of Association of the Company and on the recommendation of the Nomination and Remuneration Committee and subject to approval of members in the general meeting, the consent of the Board of Directors be and is hereby accorded for change the designation of Mr. Chetan Singla (DIN: 00549795) from Non-Executive Director to Whole Time Director of the Company for a period of 3 years commencing from 20<sup>th</sup> July, 2023 at a remuneration of ₹ 1.00 Lakhs per month with full liberty to the Board of Directors (hereinafter referred to as the "Board" which shall be deemed to include the Nomination & remuneration Committee of the Board) to revise/ alter/ modify/ amend/ change the terms and conditions as may be agreed to by the Board and. Mr. Chetan Singla within the applicable provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Chetan Singla, shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** in the event of no profit or the profit of the company is inadequate, during the currency of tenure of managerial personnel, the company may pay remuneration to the managerial remuneration not exceeding the limit under section II of the Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed

above including any statutory modifications or re-enactment thereof from time to time as prescribed by the Government.

**RESOLVED FURTHER THAT** the Executive Directors & Key Managerial Personnel of the Company be and hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

**7. Ratification of Appointment of Ms. Pavni Singla (DIN:10087877) as Director Cum Chief Financial Officer (CFO) of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of sec 196, 197, 198, 203, Schedule V and any other applicable provisions of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification or re-enactment thereof), Articles of Association of the Company, and based on the recommendation of Nomination and Remuneration Committee and subject to such sanctions as may be necessary the approval of the members of the Company be and is hereby accorded for the re appointment of Ms. Pavni Singla (DIN: 10087877), as the Whole Time Director cum Chief financial officer ( Key Managerial Personnel under Section 203 of the Companies Act, 2013) of the Company for a term of five consecutive years with effect from 24<sup>th</sup> August, 2023 to 23<sup>rd</sup> August, 2028 (both days inclusive) on payment of monthly remuneration of ₹ 1,00,000 per month subject to such periodical increase and on such other terms and condition as applicable to the other employees of the Company, and the Board of Directors be and is hereby authorized to alter and vary such terms and conditions of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Ms. Pavni Singla.

**RESOLVED FURTHER THAT** in the event of no profit or the profit of the company is inadequate, during the currency of tenure of managerial personnel, the company may pay remuneration to the managerial remuneration not exceeding the limit under section II of the Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed above including any statutory modifications or re-enactment thereof from time to time as prescribed by the Government.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

## 8. Ratification and Approval of remuneration payable to Cost Auditors

To consider and if thought fit to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), , the remuneration payable to M/s Balwinder & Associates, Cost Accountants (Firm Registration Number: 000201) appointed by Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2023-24, amounting to ₹ 30,000/- (Rupees Thirty Thousand only) p.a. plus taxes as applicable and reimbursement of out of pocket expenses as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed."

## 9. To Approve the Overall Borrowing Limits under Section 180 (1)(C) of the Companies Act, 2013

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

**"RESOLVED THAT** in supersession of all the earlier resolutions passed in this regard if any, and subject to the provisions of Section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors to borrow money, as and when required, from, including without limitation, any Bank and/or other Financial Institution and/or foreign lender and/or body corporate/ entity/ entities and/or authority/authorities, either in rupees or in such other foreign currencies as may be permitted by law from time to time. as may be deemed appropriate by the Board for an aggregate amount not exceeding a sum of ₹ 500 crores (Rupees Five Hundred Crore only) for the Company, notwithstanding that money so borrowed together with the monies already borrowed by the Company, if any (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital of the Company and its free reserves.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all

## 10. Approval for creation of Mortgage / Charge on the Assets of the Company under Section 180(1) (a) of the Companies Act, 2013

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the "Act") and any other applicable provisions, if any of the Act, or any amendment or modifications thereof and pursuant to the provisions of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee thereof which the Board may hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to sell, lease or dispose of in any manner including but not limited to mortgaging, hypothecating, pledging or in any manner creating charge on all or any part of the present and future moveable or immovable assets or properties of the Company or the whole or any part of the undertaking(s) of the Company of every nature and kind whatsoever (hereinafter referred to as the "Assets") and/or creating a floating charge on the Assets to or in favour of banks, financial institutions, investors, debenture trustees or any other lenders to secure the amount borrowed by the company or any entity which is a subsidiary or associate or group entity or other parties subject to approved limits, from time to time, for the due re-payment of principal and/ or together with interest, charges, costs, expenses and all other monies payable by the Company or any such entity in respect of the such borrowings provided that the aggregate indebtedness so secured by the assets do not at any time exceed the value of limits approved under Section 180(1)(c) of the Act from time to time."

**"RESOLVED FURTHER THAT** the Board be and is hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of sale, lease, creation of security or any other dispositions, filing of necessary forms, returns, applications, submissions under the Act." the matters arising on behalf of the Company and generally to so all such acts,

## 11. Approval to make loan and investment exceeding the limits prescribed under Section 186 of the Companies Act, 2013

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and in supersession of all the earlier resolutions passed in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorised by the

Board to exercise its powers, including the powers conferred by this Resolution) to (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding ₹ 500 Crores (Rupees five Hundred Crore Only), notwithstanding that such investments, outstanding loans given or to be given and guarantees and/or security provided may collectively exceed the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/ or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate. for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/ or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit; necessary or appropriate."

## 12. Approval for giving Loan(s) and Guarantee(s) under Section 185 of the Companies, Act, 2013:

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

**"RESOLVED THAT** pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 ("Act") (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested in

the manner as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the "Entities"), of an aggregate amount not exceeding ₹ 500 Crores (Rupees Five Hundred Crores Only), in its absolute discretion deem beneficial and in the best interest of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to negotiate, finalize and agree to the terms and conditions of the aforesaid Loans / Guarantees / Securities, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deeds and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

## 13. To Authorise Capital Raising through Issuance of Share or Other Convertible Securities

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

**"RESOLVED THAT** pursuant to the provisions of Sections 23, 41, 42, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013, and the applicable rules thereunder (the 'Act'), , the Foreign Exchange Management Act, 1999, as amended and rules and regulations framed thereunder, including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended, the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India from time to time, as in force, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, as amended, the Depository Receipts Scheme, 2014, the Rules, Regulations, Guidelines, Notifications and Circulars, if any, prescribed by the Government of India, the Reserve Bank of India ('RBI'), the Securities and Exchange Board of India ('SEBI'), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the 'ICDR Regulations'), relevant Registrar of Companies, or by any other competent authority, whether in India or abroad, from time to time, to the extent applicable including enabling provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and any other applicable law or regulation, (including any statutory amendment(s) or modification(s) or variation(s) or re-enactment(s) thereof, for the time being in force) and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to necessary approvals, consents, permissions and/or sanctions of concerned statutory and other authorities and as may be required, and subject to such conditions as might be prescribed while granting such

approvals, consents, permissions and sanctions and which may be agreed to by, the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), be and is hereby authorized on behalf of the Company, to create, offer, issue and allot, in one or more tranches, in the course of domestic and/ or international offering(s) in one or more foreign markets, by way of a public issue, preferential issue, right issue, qualified institutions placement, private placement or a combination thereof of equity shares of the Company having face value of ₹ 10 (Rupee Ten) each (the 'Equity Shares'), or through an issuance of Global Depository Receipts ('GDRs'), Foreign Currency Convertible Bonds ('FCCBs'), fully convertible debentures/partly convertible debentures/ non-convertible debentures with warrants, with a right exercisable by the warrant holder to exchange the said warrants with Equity Shares/any other securities (other than warrants), which are convertible into or exchangeable with Equity Shares, whether rupee denominated or denominated in foreign currency (hereinafter collectively referred to as the 'Securities') or any combination of Securities, on such premium which the Board may decide, to all eligible investors, including residents and/ or non-residents and/or institutions/ banks/ venture capital funds/alternative investment funds/foreign portfolio investors, mutual funds / pension funds, multilateral financial institutions, qualified institutional buyers and/or other incorporated bodies and/or individuals and/or trustees and/or stabilizing agent or otherwise, and whether or not such investors are Members of the Company and/or to the existing shareholders of the Company in the proportion of the existing shareholding, (collectively the 'Investors'), as may be decided by the Board in its absolute discretion and permitted under applicable laws and regulations, through one or more prospectus and/ or letter of offer or circular, and/or placement document and/ or on private placement basis, at such time or times, at such price or prices, and on such terms and conditions considering the prevailing market conditions and other relevant factors wherever necessary, for, or which upon exercise or conversion of all Securities so issued and allotted, could give rise to the issue of Equity Shares aggregating (inclusive of such premium as may be fixed on the securities) up to ₹ 500 Crores (Rupees Five Hundred Crores).

**RESOLVED FURTHER THAT:**

- a. The offer, issue and allotment of the Equity Shares shall be made at appropriate time or times, as may be approved by the Board subject, however, to applicable laws, guidelines, notifications, rules and regulations; and
- b. The Equity Shares to be issued by the Company as stated aforesaid shall rank pari-passu with all existing Equity Shares of the Company, including receipt of dividend

that may be declared for the financial year in which the allotment is made in terms of the applicable laws.

**RESOLVED FURTHER THAT** in case of a qualified institutions placement pursuant to the ICDR Regulations, the allotment of Securities (or any combination of the Securities as decided by the Board) shall only be made to Qualified Institutional Buyers within the meaning of the ICDR Regulations, such Securities shall be allotted as fully paid-up and the allotment of such Securities shall be completed within 365 days from the date of this resolution at such price being not less than the price determined in accordance with the pricing formula provided under the ICDR Regulations. The Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the floor price calculated in accordance with the pricing formula provided under the ICDR Regulations.

**RESOLVED FURTHER THAT** in the event that Equity Shares are issued by way of a qualified institutional placement under the ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares.

**RESOLVED FURTHER THAT** in the event that convertible securities and/or warrants which are convertible into Equity Shares of the Company are issued along with non-convertible debentures to qualified institutional buyers under Chapter VI of the ICDR Regulations, the relevant date for the purpose of pricing of such securities, shall be the date of the meeting in which the Board decides to open the issue of such convertible securities and/or warrants simultaneously with non-convertible debentures and such securities shall be issued at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the ICDR Regulations.

**RESOLVED FURTHER THAT** subject to applicable laws, the issue to the holders of the Securities, which are convertible into or exchangeable with Equity Shares at a later date shall be, inter alia, subject to the following terms and conditions:

- a) in the event the Company is making a bonus issue by way of capitalization of its profits or reserves prior to the allotment of the Equity Shares pursuant to the proposed issue, the number of Equity Shares to be allotted shall stand augmented in the same proportion in which the equity shares capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;
- b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, the entitlement to the Equity Shares will stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered

to the holders of the Securities at the same price at which they are offered to the existing Members;

- c) in the event of merger, amalgamation, takeover or any other re-organization or restructuring or any such corporate action, the number of Equity Shares, the price and the time period as aforesaid shall be suitably adjusted; and
- d) in the event of consolidation and/or division of outstanding Equity Shares into smaller number of Equity Shares (including by way of stock split) or reclassification of the Securities into other securities and/or involvement in such other event or circumstances which in the opinion of concerned stock exchange requires such adjustments, necessary adjustments will be made.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Securities may have such features and attributes or any terms or combination of terms in accordance with international practices to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to payment of dividend, issue of additional Equity Shares, variation of the conversion price of the Securities or period of conversion of Securities into Equity Shares during the duration of the Securities and the Board be and is hereby authorized, in its absolute discretion, in such manner as it may deem fit, to dispose-off such of the Securities that are not subscribed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to create, issue, offer and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any depository receipts or other Securities referred to above or as may be necessary in accordance with the terms of the offer, and all such Equity Shares shall be issued in accordance with the terms of the Memorandum of Association and Articles of Association and shall rank pari-passu inter-se and with the then existing Equity Shares of the Company in all respects.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, determination of investors to whom the Securities will be offered and allotted in accordance with applicable law, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms

and conditions as it may deem expedient, entering into and executing arrangements for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as depository, custodian, registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/or placement document(s) and/or circular, documents and agreements including filing of registration statements, prospectus and other documents (in draft or final form) with any Indian or foreign regulatory authority or stock exchanges and sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board be and is hereby authorized on behalf of the Company to seek listing of any or all of such Securities on one or more Stock Exchanges in India or outside India and the listing of Equity Shares underlying the GDRs on the Stock Exchanges in India.

**RESOLVED FURTHER THAT**

- i. the offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times as the Board may in its absolute discretion decide, subject, however, to applicable guidelines, notifications, rules and regulations;
- ii. the Equity Shares to be issued by the Company as stated aforesaid shall rank pari-passu with all existing Equity Shares of the Company;
- iii. the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the above mentioned Equity Shares and also shall be entitled to vary, modify or alter any of the terms and conditions, including size of the issue, as it may deem expedient;
- iv. the Board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer document(s), placement document or offering circular, as the case may be, execution of

various transaction documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and take all steps which are incidental and ancillary in this connection, including in relation to utilization of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to engage/appoint merchant bankers, underwriters, guarantors, depositories, custodians, registrars, trustees, stabilizing agents, bankers, lawyers, advisors and all such agencies as may be involved or concerned in the issue and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, contracts/agreements, memoranda, documents, etc., with such agencies, to seek the listing of Securities on one or more recognized stock exchange(s), as may be required.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorized to delegate all or any of its powers herein conferred by this resolution to any Committee of Director or Directors or any one or more executives of the Company to give effect to the above resolutions."

For and on behalf of **Surani Steel Tubes Limited**

**Mohinder Singh**  
Company Secretary  
ACS-21857

Date: September 08, 2023  
Place: Chandigarh

#### NOTES

In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the

AGM through VC/OAVM and participate there at and cast their votes through e-voting.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.suranisteel.com](http://www.suranisteel.com). The Notice can also be accessed from the websites of National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off Date i.e. 23.09.2023 Members whose names appear in the Register of Members / List of Beneficial Owners as on the Cut-off Date shall only be considered eligible for the purpose of Remote e-Voting and those members would be able to cast their votes and convey their assent or dissent to the proposed resolution only through the Remote e-Voting process. Any person who is not a Member as on the Cut-off date should treat this Notice of AGM for information purpose only.
7. Members of the Company as on the cut-off Date (including those Members who may not have received this Notice due to non-registration of their e-mail addresses with the Company/ RTA/Depositories) shall be entitled to vote in relation to the aforementioned resolution in accordance with the process specified in this Notice.

8. The Board of Directors have appointed Mr. Sahil Malhotra, proprietor of M/s S.V. Associates, Practicing Company Secretaries, as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
9. The Remote e-Voting will commence on Wednesday, September 27, 2023 at 9:00 a.m. (IST) and ends on Friday, September 29, 2023 at 5:00 p.m. (IST). During this period, members of the Company holding shares in physical or electronic form as on the Cut-Off Date may cast their vote electronically. The Remote e-Voting will be blocked by NSDL immediately thereafter and will not be allowed beyond the said date and time.
10. The result declared along with the Scrutinizer's Report will be forwarded to NSE Limited and shall be simultaneously uploaded on the Company's website <https://suranisteel.com> and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately.
11. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of the shares held in electronic form, and to the Company or the RTA (M/s Link Intime Pvt. Ltd.), in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

The Remote e-voting period commences on Wednesday, September 27, 2023 at 9:00 a.m. (IST) and ends on Friday,

September 29, 2023 at 5:00 p.m. (IST). During this period, the Members of the Company holding shares either in physical form or in dematerialized form as on may cast the vote electronically through remote e-voting. The remote e-voting facility shall be disabled by NSDL for voting after 5:00 p.m. on September 29, 2023.

Voting rights shall be reckoned on the number of shares registered in the name of the Member as on the Cut-off date, i.e. 23.09.2023. A Member attending the AGM, who has not cast the vote by means of remote e-voting, shall be able to cast the vote through e-voting at the AGM.

Members are requested to follow the instructions given below for casting the votes through e-voting and for attending the meeting through VC / OAVM facility:

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**


**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 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.


Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.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 <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>



**NSDL Mobile App is available on**



App Store



Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</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 the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <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.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - "Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  - Now, you will have to click on "Login" button.
  - After you click on the "Login" button, Home page of e-Voting will open.

### Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

#### How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [saahilmalhotra42@gmail.com](mailto:saahilmalhotra42@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022-4886 7000 and 022-2499 7000 or send a request to Mr. Sachin Karelia at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

#### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@suranisteel.com](mailto:cs@suranisteel.com)
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@suranisteel.com](mailto:cs@suranisteel.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
- Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

- 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.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

#### INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING

### Item No. 3 & 4

The Board of Directors at its meeting held on 24<sup>th</sup> August, 2023, appointed of M/s Anu & Associates, Chartered Accountants (Firm Registration No. 019624N), as Statutory Auditors of the Company to fill the casual vacancy who shall hold the office up to the date of conclusion of 11<sup>th</sup> Annual General Meeting in place of M/s Ambalal Patel & Co., Chartered Accountants (ICAI Firm Registration No.100305W) who have tendered their resignation on 23<sup>rd</sup> August, 2023.

Further, the Board, based at the recommendation of Audit Committee and subjected to approval of shareholders had also recommended the appointment of M/s Anu & Associates, Chartered Accountants (Firm Registration No. 019624N) for a term of five (5) years to hold office from the conclusion of the 11<sup>th</sup> AGM till the conclusion of the 16<sup>th</sup> AGM of the Company to be held in year 2028.

As required under section 139 of the Companies Act, 2013, M/s Anu and Associates, Chartered Accountants (Firm Registration No. 019624N) have informed the Company that their appointment, if made, shall be in compliance of Section 139 and 141 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 and the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Notice of the ensuing AGM also contain a resolution for consideration and approval of the Members for their appointment as such in place of the existing Statutory Auditors.

The terms of appointment including the remuneration payable to the statutory auditor will be specified by the Audit Committee & the Board of Directors of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested in the above Resolution except to the extent of their shareholding if any.

Your Directors recommend the Resolution set out in Item No. 3 & 4 as an Ordinary Resolution for your approval.

### Statement containing additional disclosure as required under Regulation 36(5) of the Listing Regulations.

Proposed fees payable to the statutory auditor for the financial year	1,00,000 Plus Tax expense and out of the Pocket expense
Term of appointment	Five Years
in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	The fee agreed with auditors is at same level as it was being paid to outgoing Auditors
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory auditor proposed to be appointed	Due to change in management of the Company, the existing auditors of the Company tendered their resignation, the audit committee recommended that it is required to have a competent, experienced and highly professional audit firm. The recommendations made by the Audit Committee, and the Board of Directors of the Company, are in fulfilment of the eligible criteria as prescribed under the Companies Act, 2013 and the applicable rules made thereunder.
Brief Profile of Statutory Auditor	M/s Anu & Associates (Firm Registration No. 019624N), is having expertise of Chartered audit, management consultancy, tax consultancy, accounting services, manpower management, secretarial services.

### Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company in its meeting held on 20<sup>th</sup> July 2023, Appoint/Deignated Mr. Vijay Singla as Managing Director, not liable to retire by rotation, for a period of 3 years with effect from 20<sup>th</sup> July, 2023, subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company.

The Board, while appointing Mr. Vijay Singla as Managing Director of the Company, considered his rich experience of over 35 years in steel industry segments, Shri Singla steers the Company with a

clear vision of growth in context with the changing market scenario. Mr. Vijay Singla epitomizes the depth of acumen of tubes and pipes industry and astute business sense. He is known for his business finance and strategic abilities. Under his leadership, the Company grew exponentially gaining national and international recognition.

The Board of Directors recommends appointment Mr. Vijay as Managing Director of the Company. Mr. Vijay Singla has given his consent to act as Managing Director of the Company and brief profile and other details of him is provided as part of this notice as Annexure A.

The main terms and conditions relating to the appointment and remuneration of Mr. Vijay Singla as Managing Director of the Company are as follows:

**1. Period:**

For a period of 5 years i.e., from 20<sup>th</sup> July 2023 to 19<sup>th</sup> July, 2028 (both days inclusive)

**2. Nature of Duties:**

The Managing Director shall devote her whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directors of the Board in connection with and in the best interests of the business of the Company.

**3. Other Terms of Appointment**

- a. The Managing Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- b. The terms and conditions of the re-appointment of the Managing Director and/or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Whole Time Director, subject to such approvals as may be required.
- c. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director unless specifically provided otherwise.
- d. The appointment may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Bonus/Performance Linked Incentive/Commission (paid at the discretion of the Board), in lieu of such notice.

Further, the employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice, if she is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or in the event of any serious or repeated or continuing breach or non-observance by him of any of the stipulations, instructions of the Board or in the event the Board expresses its loss of confidence in the Managing Director

- e. The terms and conditions of appointment of Managing Director also include clauses pertaining to adherence to the Company's Code of Conduct, protection and use of intellectual property, noncompetition, non-solicitation post termination of agreement and maintenance of confidentiality etc.

**4. Remuneration:** Salary, benefits, perquisites and allowances Details of benefits, perquisites and allowances, as per the Company policy with periodic increment as may be mutually agreed between the Board and Mr. Vijay Singla. Based on the recommendations of the Nomination and Remuneration Committee ('NRC') but subject to maximum ceiling of ₹ 3 lacs per month.

**5. Minimum Remuneration:** Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Vijay Singla, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits and perquisites and allowances, bonus etc. as approved by the Board.

The profile and specific areas of expertise of Mr. Vijay Singla are provided as Annexure A to this Notice.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board and the Nomination and Remuneration Committee, approval of the Members is sought for the appointment and remuneration of Mr. Vijay Singla as Managing Director as set out above. The Board recommends the Resolution set forth in Item No. 5 for the approval of Members.

None of the Directors & Key Managerial Personnel (KMP) except appointee himself, Mr. Chetan Singla and Ms. Pavni Singla is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice, except to the extent of their shareholding, if any.

**Item No. 6**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company in its meeting held on 20<sup>th</sup> July, 2023, appointed/Designated Mr. Chetan Singla as Joint Managing Director liable to retire by rotation, for a period of five years effective from 20<sup>th</sup> July 2023, subject to approval of the Shareholders in the ensuing Annual General Meeting.

The Board of Directors recommends appointment Mr. Chetan Singla as Whole Time Director of the Company. Mr. Chetan Singla has given his consent to act as Whole Time Director of the Company and brief profile and other details of him is provided as part of this notice as Annexure A.

The main terms and conditions relating to the appointment and remuneration of Mr. Chetan Singla as Whole Time Director of the Company are as follows:

**1. Period:**

For a period of 5 years i.e., from 20<sup>th</sup> July, 2023 to 19<sup>th</sup> July, 2028 (both days inclusive)

**2. Nature of Duties:**

The Joint Managing Director shall devote her whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to superintendence, control and directors of the Board in connection with and in the best interests of the business of the Company.

**3. Other Terms of Appointment**

- a. The Joint Managing Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- b. The terms and conditions of the of the Joint Managing Director and/or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Whole Time Director, subject to such approvals as may be required.
- c. All Personnel Policies of the Company and the related rules which are applicable to other employees of the Company shall also be applicable to the Managing Director unless specifically provided otherwise.
- d. The appointment may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Bonus/Performance Linked Incentive/Commission (paid at the discretion of the Board), in lieu of such notice.

Further, the employment of the Joint Managing Director may be terminated by the Company without notice or payment in lieu of notice, if he is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or in the event of any serious or repeated or continuing breach or non-observance by him of any of the stipulations, instructions of the Board or in the event the Board expresses its loss of confidence in the Joint Managing Director.

- e. The terms and conditions of appointment of Joint Managing Director also include clauses pertaining to adherence to the Company's Code of Conduct, protection and use of intellectual property, noncompetition,

non-solicitation post termination of agreement and maintenance of confidentiality etc.

- 4. Remuneration:** Salary, benefits, perquisites and allowances Details of benefits, perquisites and allowances, as per the Company policy with periodic increment as may be mutually agreed between the Board and Mr. Chetan Singla. Based on the recommendations of the Nomination and Remuneration Committee ('NRC') but subject to maximum ceiling of ₹ 1 lac per month.

- 5. Minimum Remuneration:** Notwithstanding anything to the contrary herein contained where in any financial year during the tenure of Mr. Chetan Singla, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary, benefits and perquisites and allowances, bonus etc. as approved by the Board.

The profile and specific areas of expertise of Mr. Chetan Singla are provided as **Annexure A** to this Notice.

In compliance with the provisions of Section 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act as amended, and based on the recommendation of the Board and the Nomination and Remuneration Committee, approval of the Members is sought for the appointment and remuneration of Mr. Chetan Singla as Joint Managing Director as set out above. The Board recommends the Resolution set forth in Item No. 6 for the approval of Members.

None of the Directors and Key Managerial Personnel (KMP) except appointee himself, Mr. Vijay Singla and Ms. Pavni Singla is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice, except to the extent of their shareholding, if any.

**Item No. 7**

Ms. Pavni Singla (DIN: 10087877) was appointed as an Additional Director cum Chief Financial Officer of the Company with effect from 24<sup>th</sup> August, 2023 pursuant to the provisions of Sections 149, 152 & 161 of the Companies Act, 2013 and rules framed thereunder and the Articles of Association of the Company. Being an Additional Director, Ms. Pavni Singla is eligible to hold office till this Annual General Meeting pursuant to the provisions of Section 161 of the Companies Act, 2013. Hence it is being proposed to regularize her appointment as a Whole Time Director of the Company in terms of Sections 160 & 161(1) of the Act.

The Company has received from Ms. Pavni Singla her consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time.

The Company has also received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director. Ms. Pavni Singla is not disqualified from being appointed as Director in terms of Section 164

of the Companies Act, 2013, as amended from time to time. The Board considers that given his background and experience the association of Ms. Pavni Singla would be beneficial to the Company and it is desirable to regularize her appointment as a Whole Time Director cum Chief Financial Officer liable to retire by rotation.

The Board of Directors recommends the ordinary resolution at Item No. 7 of this Notice for your approval.

None of the Directors and Key Managerial Personnel (KMP) except appointee herself, Mr. Vijay Singla and Mr. Chetan Singla is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice, except to the extent of their shareholding, if any.

#### Annexure-A

**The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:**

<b>Name of the Director</b>	<b>Mr. Vijay Singla</b>	<b>Mr. Chetan Singla</b>	<b>Ms. Pavni Singla</b>
Age	57 years	36 years	26 years
DIN	00156801	00549795	10087877
Date of appointment	20 <sup>th</sup> July, 2023	24 <sup>th</sup> July, 2023	24 <sup>th</sup> August, 2023
Profile of Directors (including areas of expertise)	Mr. Vijay is having rich experience of over 30 years in various steel industries segment. He is expert knowledge in project management, business finance and strategic abilities	Having more than 10 years' experience in the Steel Industries.	Ms. Pavni Singla is Master in Management from HEC Paris and she did her Bachelor in Economics and Finance from Ashok University. She is having expert knowledge in Capital Management and Cost Budgeting. She has served as Senior Financial Consultant at A.T. Kearney
Terms of appointment	Mr. Vijay Singla is proposed to be appointed as a Managing Director, liable to retire by rotation for a consecutive period of five years.	Mr. Chetan Singla is proposed to be appointed as a Joint Managing Director, liable to retire by rotation for a consecutive period of five years..	Ms. Pavni Singla is proposed to be appointed as the Whole-Time Director cum Chief Financial Officer (Key Managerial Personnel) of the Company for a consecutive period of five years.
Remuneration last drawn	Nil	Nil	Nil
Number of Meetings of the Board attended during the year (FY 2022-2023)	Nil	Nil	Nil
Directorship held in other entities	Jagan Industries Limited Mirage Infra Limited	Infonity Infra Pvt Ltd Fairmount Infratech Pvt. Ltd	Nil
Membership/Chairmanship of Committees across public companies	Nil	Nil	Nil
No of shares held in the Company	15,94,000 equity shares	15,92,000 equity share	Nil
Relationship with any director(s)/KMP	Mr. Vijay Singla is Uncle of Mr. Chetan Singla and Father-in-law of Ms. Pavni Singla	Mr. Chetan Singla is nephew of Mr. Vijay Singla, Managing Director of the Company	Ms. Pavni Singla is daughter in law of Mr. Vijay Singla, Managing Director
Number of meetings of the Board attended	Nil	Nil	Nil

**For Item No. 8 of Special Business**

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of Cost Auditor, M/s Balwinder & Associates, Cost Accountants (Firm Registration Number: 000201) at a remuneration of ₹ 30,000 per annum (plus taxes as applicable and reimbursement of actual out of pocket expenses) to conduct the audit of the cost accounting records of the Company in accordance with the provisions of the Act and Rules made thereunder for the Financial Year ending 31<sup>st</sup> March 2024.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by the shareholders of the company. Accordingly, consent of the Members is sought by passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratifying proposed remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March 2024.

No Director or Key Managerial Personnel of the company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 8 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

**For Item No. 9 of Special Business**

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the members of the Company had, at their meeting dated 16<sup>th</sup> November, 2021 authorised the Board of Directors to borrow money(ies) on behalf of the Company and for creation of charge on any assets or undertaking of the Company as security in favour of lending agencies for a sum not exceeding ₹ 500 Crores (Rupees Five Hundred Crores only), over and above the aggregate of the paid-up share capital and free reserves of the Company. The above limit is apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business.

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company may need additional funds. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/ or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves of the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company.

The above limit is apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business. The Board of Directors, therefore, recommends the Resolution to be passed in item no. 9 as Special Resolution by the members.

It is, therefore, required to obtain fresh approval of members by Special Resolution under Sections 180(1)(c) of the Companies Act, 2013, to enable the Board of Directors to borrow money and to secure its borrowings upto a sum not exceeding ₹ 500 Crores (Rupees Five Hundred Crores only), which may exceed the aggregate of the paid-up share capital, free reserves and Security Premium of the Company. The above limit is apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business.

Consent of the members is therefore sought to enable the Company to borrow money, with the limit as set out in the resolution. None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their shareholding in the Company.

**For Item No. 10 of Special Business**

In terms of the provisions of Section 180 (1) (a) of the Companies Act, 2013, the Board of Directors of a company cannot, inter alia, except with the consent of the Company by a special resolution, create mortgage, charge, pledge and hypothecation, etc. on the undertakings of the Company beyond the limit mentioned in the Section.

The Company borrow money for their businesses and such borrowings are required to be secured by mortgage, charge, pledge and/ or hypothecation etc. on all or any of the movable or immovable or any tangible or intangible assets/ properties of the Company (both present and future) in favour of any lender, including the Financial Institutions / Banks / Debenture Trustees, etc. in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The mortgage, charge, pledge, hypothecation on any of the movable and / or immovable or any tangible or intangible assets / properties and / or the whole or any part the undertaking(s) of the Company may be regarded as disposal of the Company's undertaking(s) within the meaning of section 180(1)(a) of the Act read with Rules made thereunder.

Accordingly, the special resolutions at item Nos. 10 of the Notice have been incorporated in the Notice to seek members' approval for availing the borrowing limits and for disposal of the Company's undertaking(s) by creation of mortgage/charge, etc. thereon and for authorizing the Board (including any Committee thereof authorised for the purpose) to complete all the formalities in connection with

the availing borrowing limits and creating charge on the Company's properties respectively.

The Board of Directors of your Company, therefore, recommend the Resolution set out in item No. 10 of this Notice for the approval of the Members by way of passing a Special Resolution

None of the Directors or any Key Managerial Personnel of the Company is, in any way, concerned or interested (financially or otherwise), either directly or indirectly in passing of the said resolution, save and except to the extent of their respective interest as shareholders of the Company

#### **For Item No. 11 of Special Business:**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required, in accordance with the business needs of the Company.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of ₹ 500 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 11 for approval by the members of the Company as Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

#### **For Item No. 12 of Special business**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity covered under the category of a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

The Company may need to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for the purpose of capital expenditure of the projects and/or working capital requirements including purchase of fixed assets as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 12 of the notice.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time, and the proposed loan shall be at such rate of interest as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

The Board of Directors recommend the resolution set forth in Item no. 10 of the notice for your approval as a Special Resolution.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

#### **For Item No. 13 Special Business**

The Company is in the business of manufacturing of Steel Tubes and Pipes. The Board of Directors is of the opinion that the Company requires additional funds to meet with the needs of growing business, in addition to the funds raised internally and through debt from banks and financial institutions. Hence it is imperative to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian or international markets. Accordingly, It is proposed to raise funds of upto ₹500 crores in one or more tranches through a mix of equity/ equity-linked instruments, as may be appropriate. The Members' approval is sought for the issue of such number of Equity Shares, Global Depository Receipts (GDRs), American Depository Receipts (ADRs), Foreign Currency Convertible Bonds (FCCBs), and/or Equity Shares through Depository Receipt Mechanism and/or Fully Convertible Debentures (FCDs) and/or Non-Convertible Debentures (NCDs) with warrants, or any other financial instruments convertible into or linked to Equity Shares and/or any other instruments and/ or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in registered or bearer

form or any combination of Securities through public issue(s), private placement(s) or a combination thereof, including issuance of Securities through a Qualified Institutions Placement under Chapter VIII of the SEBI ICDR Regulations. The Board may in their discretion adopt any one or more of the mechanisms prescribed above to meet its objectives as stated in the aforesaid paragraphs without the need for fresh approval from the shareholders of the Company. The pricing of the Securities that may be issued to qualified institutional buyers and to other buyers under the Private Placement shall be freely determined subject to such price not being less than the price calculated in accordance with the SEBI ICDR Regulations. The Company may, in accordance with applicable law, offer a discount of not more than 5% or such percentage as permitted under applicable law on the price determined pursuant to the SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date when the Board or the Committee of the Board thereof decides to open the Issue for subscription. The Special Resolution also seeks to give the Board powers to issue Securities in one or more tranche or tranches, at such time or times, at such price or prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board in its absolute discretion deem fit. The detailed terms and conditions for the issue(s)/offering(s) will be determined by the Board or its committee in its sole discretion in consultation with the advisors, lead managers, underwriters and such other authority or authorities as may be necessary considering the prevailing market conditions and in accordance with the applicable provisions of law and other relevant factors. The Equity Shares allotted or arising out of conversion of any Securities would

be listed. The offer/issue/allotment/conversion/redemption would be subject to the availability of regulatory approvals, if any. The conversion of Securities held by foreign investors into Equity Shares would be subject to the applicable foreign investment cap and relevant foreign exchange regulations. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the provisions of the Listing Regulations. Section 62(1)(c) of the Companies Act, 2013, provides, inter alia, that when it is proposed to increase the issued capital of a company by allotment of further Equity Shares, such further Equity Shares shall be offered to the existing shareholders of such company in the manner laid down in Section 62 of the Companies Act, 2013 unless the shareholders in a General Meeting decide otherwise. Since, the Special Resolution proposed in the business of the Notice may result in the issue of Equity Shares of the Company to persons other than shareholders of the Company, consent of the shareholders is being sought pursuant to the provisions of Sections 42, 62 and other applicable provisions of the Companies Act, 2013 as well as applicable Rules notified by the Ministry of Corporate Affairs and in terms of the provisions of the Listing Regulations.

For and on behalf of **Surani Steel Tubes Limited**

**Mohinder Singh**  
Company Secretary  
ACS-21857

Date: September 08, 2023  
Place: Chandigarh

# Directors' Report

## Dear Members

Your Directors take pleasure in presenting the **11<sup>th</sup> Annual report** of the Company on business operation of “**Surani Steel Tubes Limited**” along with the summary of the audited financial statements for the financial year ended March 31<sup>st</sup>, 2023 as given below:

### COMPANY OVERVIEW:

Your Company is in the business of manufacturing and supplying best ERW pipes and steel tubes. The company commenced in the July 2012 on the strong base formulated by decades of experience in this industry. The major steel manufacturing industry professionals act as spine of this company, striving to turn into the leading brand for serving various industrial sectors with adequate steel supplies.

The company is incepted and being managed by the experienced professionals, having decades of experience in ERW MS Pipes and steel tubes manufacturing. The deployment of best resources and state of art manufacturing facilities with stronger back of technology is out forte.

### FINANCIAL HIGHLIGHTS:

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

(₹ in Lakhs)

Particulars	Standalone	
	For the Financial Year 31 <sup>st</sup> March, 2023	For the Financial Year 31 <sup>st</sup> March, 2022
Revenue from Operations	12360.34	13675.24
Other Income	21.08	5.63
<b>Total revenue</b>	<b>12381.41</b>	<b>13680.87</b>
Operating Profit (Before Finance Cost and Depreciation & Amortization)	56.80	482.36
Less: Finance Cost	112.34	166.10
Profit before Depreciation & Amortization	(55.54)	316.26
Less: Depreciation & Amortization	94.19	126.46
Profit before Exceptional and Extraordinary item and Tax	(149.73)	189.80
Less: Exceptional items	0.00	0.00
<b>Profit before Tax</b>	<b>(149.73)</b>	<b>189.80</b>
Less/(Add): Current Tax	37.00	35.00
Less/(Add): MAT credit Entitlement	-	(35.00)
Less/(Add): Deferred Tax liability/(Assets)	-7.40	4.40
Less/(Add): Prior period tax Adjustment	0.00	0.00
<b>Profit after Tax</b>	<b>(179.33)</b>	<b>185.40</b>
Earnings Per Share		
Basic	-2.16	2.24
Diluted	-2.16	2.24

### OPERATIONAL PERFORMANCE REVIEW:

The revenue from operations for FY 2022-23 was ₹ 12,360.34 Lakhs as compared to previous year's revenue from operations of ₹ 13,675.24 Lakhs. Net Profit/Loss after tax for FY 2022-23 was ₹ (179.33) Lakhs against the previous year's Net profit after tax of ₹ 185.40 Lakhs.

Your Directors are optimistic to deliver better revenues and profitability by inducting new means of operational efficiencies, better product mix and control measures in the coming years.

**DIVIDEND:**

Your directors do not recommend any final or interim Dividend for the financial year ended 31<sup>st</sup> March, 2023

**DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS AND DISCLOSURE**

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have completed the registration with the Independent Directors Databank well within stipulated time frame and hold valid certificate of registration.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

As required under the provision of the Section 124 & 125 and other applicable provisions of the Act, dividends that remain unpaid / Unclaimed for a period of consecutive 7 years, are required to be transferred to the account administered by the Central Government viz. Investor Education and Protection Fund ("IEPF"). Further, according to the said Rules, the shares on which Dividend has not been encashed or claimed by the Members for 7 consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules,

2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there were no amounts or shares requiring transfer to Investor Education and Protection Fund during the year 2022-23.

**TRANSFER TO RESERVE & SURPLUS:**

The Board of Directors do not propose any amount to be transferred to General Reserves for the Financial Year 2022-23.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

The material changes and commitments have occurred after the close of the year till the date of this report which may affect the financial position of the Company are following:

**a. CHANGE IN THE MANAGEMENT OF THE COMPANY**

Members may take note that post closure of Financial Year 2022-23, Pursuant to the provision of Regulation 22 of SEBI (SAST) Regulations, 2011, Mr. Vijay Singla, Mr. Chetan Singla and Ms. Santosh Rani ('the acquirers') have entered into Sale Purchased Agreement (SPA) with the promoters of the Surani Steel Tubes Limited ("Target Company") Company for acquisition of 28,14,000 Equity Shares representing 33.97% of the Paid-up Equity Share Capital of the Company.

Further The Acquirers have made this open offer to acquire upto 33,13,600 (Thirty Three Lakh Thirteen Thousand and Six Hundred) Fully Paid-Up Equity Shares representing 40.00% of the Paid up Equity Share Capital of the Target Company at an Offer Price of INR 44/- per fully paid-up equity share payable in cash. Total 196400 equity shares representing 23.70% of the Paid Up Equity Share Capital of the Company.

The Acquirers have taken over the control of the Company and following changes were made in the Board of the Company.

Sr. No.	Name of Director	Date of Cessation	Name of Director	Date of Appointment
1.	Mr. Dinesh Karshan Patel, (Managing Director)	July 20, 2023	Mr. Vijay Singla (Managing Director)	July 20, 2023
2.	Mr. Mukesh Patel, (Joint Managing Director)	July 20, 2023	Mr. Chetan Singla (Joint Managing Director)	July 20, 2023
3.	Mr. Karshanbhai Patel, (Non-Executive Director)	May 03, 2023	Mrs. Sangeeta Mehtani (Independent Director)	May 03, 2023
4.	Ms. Hetika Sagar, Chandini (Independent Director)	May 03, 2023	Mr. Kailash Garg (Independent Director)	May 03, 2023
5.	Mr. Dineshbhai Dhanjibhai Patel, (Independent directors)	May 03, 2023	Mr. Gurpreet Singh Bhatia (Independent Director)	May 03, 2023

**b. CHANGES IN THE CAPITAL STRUCTURE**

The Authorised Share Capital as on March 31, 2023 stood ₹ 9,00,00,000/- (Rupees Nine Crore Only) divided into 90,00,000 (Ninety Lakh) Equity Shares of ₹10/- each.

Further, the Authorized Share Capital of the Company was increased to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) divided into 2,00,00,000 Equity Shares of ₹10/- from ₹ 9,00,00,000/- (Rupees Nine Crore Only) divided into 90,00,000 (Ninety Lakh) Equity Shares of ₹10/- each for which member's approval was taken by passing ordinary resolution through postal ballot on June 09, 2023 pursuant to provisions of Section 13, 61 and all other applicable provisions of the Companies Act, 2013 and rules issued thereunder.

#### **c. ISSUED, PAID UP SUBSCRIBED & SHARE CAPITAL**

The Paid Up Capital as on March 31, 2023 stood ₹ 8,28,40,000 divided into 82,84,000 equity share of ₹ 10 each. Post close of Financial Year 2022-23, the Company has allotted 4,81,000 Equity shares having face value of ₹ 10/- each on account of exercise of conversion option exercised by warrants holders, non-promoter, public category.

As a result, the paid up share capital of the Company rose to ₹ 8,76,50,000/- divided into 87,65,000 Equity shares of face value of ₹ 10/- each

Out of total 4,81,000 equity shares Company got the Listing and Trading approval for 1,25,000 equity shares and in process to file listing approval of balance 3,56,000 equity shares with NSE.

#### **ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS.**

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Preferential Issue Committee at its meeting held July 04, 2023 made allotment of 72,64,036 Fully Convertible Warrants having face value of ₹ 10/- each at a premium of ₹ 125/- per warrants carrying a right to subscribe to one Equity Share per Warrant, for cash at an issue price of ₹ 135/- per warrant by way of preferential allotment to non-promoter, public category.

#### **SWEAT EQUITY SHARES**

As per the provisions of Section 54(1)(d) of the Companies Act, 2013 and in terms of Rule 8(13) of Companies (Share Capital and Debentures) Rules, 2014, the Company has not issued any Sweat Equity Shares.

#### **DIFFERENTIAL VOTING RIGHTS**

As per the provisions of Section 43(a)(ii) of the Companies Act, 2013 and in terms of Rule 4(4) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any shares with Differential Voting Rights.

#### **EMPLOYEE STOCK OPTIONS**

As per the provisions of Section 62(1)(b) of the Companies Act, 2013 and in terms of Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014), the Company has not issued any Employee Stock Options.

#### **LISTING INFORMATION:**

The Equity Shares in the Company are continued to be listed with NSE EMERGE Platform and in dematerialized form. The ISIN No. of the Company is INE01ZJ01015.

#### **STATEMENT PURSUANT TO LISTING AGREEMENT:**

The Company Equity Shares is listed at National Stock Exchange Limited (SME segment). The Annual Listing fee for the year 2023-24 has been paid.

#### **DEPOSITS FROM PUBLIC:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet as per section 73 and 74 of the companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 and details of loans from Banks/Fls/ Directors, are provided in Financial Statements and Notes thereto. During the year under review, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made.

#### **CHANGE IN THE NATURE OF BUSINESS:**

During the Year under review, there was no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

#### **DETAILS OF SUBSIDIARY, JOINT VENTURES, ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Associate or Joint Venture at the beginning or any time during the year or at the end of the financial 2022-23. Therefore, it is not required to furnish any details in the Form AOC-1.

#### **INTERNAL CONTROLS AND THEIR ADEQUACY:**

The Company implemented suitable controls to ensure its operational, compliance and reporting objectives. The Company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also being reviewed by the Internal Audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the Audit Committee. It ensures adequate internal financial control exist in design and operation.

M/s. S. N. Shah & Associates (Firm Re. No: 109782W), Chartered Accountants, Ahmedabad has been appointed as the internal auditor of the Company, who conducts Internal audit and submit reports to the Audit Committee. The Internal Audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the Company's operations. The Audit Committee reviews the effectiveness of the Company's internal control system.

**DETAILS OF HOLDING, SUBSIDIARY AND ASSOCIATES:**

The Company does not have any Subsidiary, Associate or Joint Venture at the beginning or any time during the year or at the end of the financial 2022-23, therefore, it is not required to furnish any details in the Form AOC-1.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are under:

Sr. No.	Particulars	Comments
<b>(A)</b>	<b>Conservation of energy</b>	
(i)	the steps taken or impact on conservation of energy;	Energy conservation is very important for the company and therefore, energy conservation measures are undertaken wherever practicable in its plant and attached facilities. The Company is making every effort ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Impact on conservation of energy was that the electricity load expenses reduced.
(ii)	the steps taken by the Company for utilizing alternate sources of energy;	Cross ventilation for light and air have reduced power consumption in day time.
(iii)	the capital investment on energy conservation equipment	Cross ventilation for light and air have reduced power consumption in day time.
<b>(B)</b>	<b>Technology absorption</b>	
(i)	the efforts made towards technology absorption	Your Company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. We are constantly upgrading our technology to reduce costs and achieve economies of scale.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	a. Right sizing of Manpower b. Cost Reduction c. Optimum efficiency
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year :	Nil
(a)	the details of technology imported	Nil
(b)	the year of import	N.A.
(c)	whether the technology been fully absorbed	N.A.
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.
(iv)	the expenditure incurred on Research and Development	Nil
<b>(C)</b>	<b>Foreign exchange earnings and Outgo</b>	<b>Inflow (In ₹)</b> <b>Out Flow (In ₹)</b>
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	---                      ----

**INDUSTRIAL RELATION:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

As per Provisions of Section 152 of the Companies Act, 2013, Mr. Chetan Singla, Joint Managing Director is liable to retire by rotation and is eligible to offer himself for re-appointment in the ensuing Annual General Meeting.

### Change in Key Managerial Personnel:

As of March 31, 2023, the Key Managerial Personnel (KMP) of the Company as per Section 2(51) and 203 of the Companies Act, 2013 were as follows:

NAME	DESIGNATION
Mr. Dinesh Karshan Patel	Managing Director
Mr. Mukesh Patel	Joint Managing Director
Ms. Shwetal Ritesh Maliwal	Company Secretary cum Compliance Officer
Mr. Gaurav Rajeshbhai Patel	Chief Financial Officer

Post closure of the Financial year 2022-23, the composition of Board of Directors has been changed in compliance with the provisions of Sections 149 and 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 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Presently the composition of Board of Directors and KMP is as given below.

NAME	DIN	DESIGNATION
Mr. Vijay Singla	00156801	Managing Director
Mr. Chetan Singla	00549795	Joint Managing Director
Ms. Pavni Singla	10087877	Additional Director cum Chief Financial Officer
Mrs. Sangeeta Mehtani	10124839	Independent Director
Mr. Kailash Garg	10132246	Independent Director
Mr. Gurpreet Singh Bhatia	10119925	Independent Director
Mr. Mohinder Singh	BELPS5287P	Company Secretary

Ms. Shwetal Ritesh Maliwal Resigned from the position of Company Secretary and Compliance Officer w.e.f. May 03, 2023, due to personal reasons and Mr. Mohinder Singh (M.No. A21857) was appointed as the Company Secretary & Compliance Officer of the Company and also designated as KMP under Section 203 of the Companies Act 2013.

Mr. Dinesh Karshan Bhai Patel, Managing Director and Mr. Mukesh Bhai Patel, Joint Managing Directors have resigned due to change in management and then Board on the recommendation of Nomination and Remuneration Committee have appointed/ redesignated Mr. Vijay Singla (DIN: 00156801) as Managing Director and Mr. Chetan Singla (DIN:00549) as Joint Managing Directors of the company w.e.f July 20, 2023 in their place for which Shareholders approval is proposed at the ensuing Annual General Meeting of the Company.

Further, Board of Directors at their meeting held on August 24, 2023 appointed Ms. Pavni Singla (DIN:10087877) as Additional Director cum Chief Financial Officer in place pursuant in compliance with provisions of Section 203 of Companies Act, 2013 and rules made thereunder as defined under Section 2(19) of Companies Act, 2013 and falls under definition of "Key Managerial Personnel" of the Company pursuant to Section 2(51) of Companies Act, 2013.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, with respect to Director Responsibility Statement, the Board of Directors, to the best of its knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- 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) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### NUMBER OF BOARD MEETINGS AND ATTENDANCE:

During the Financial year 2022-23, Ten (10) board meetings were held. These were held on

10-April-2022, 30-May-2022, 17-June-2022, 15-July-2022, 20-August-2022, 07-October-2022, 05-November-2022, 20-January-2023, 10-March-2023, 30-March-2023.

The interval between any two meetings was well within the maximum allowed gap of 120 days.

The Composition of Board of directors and the details of meetings attended by the board of directors during the year are given below.

Name of the director	Category	No. of Board Meetings Held & Entitled to Attend	No. of Board Meetings Attended
Mr. Dinesh Karshan Patel	Joint Managing Director	10	10
Mr. Mukesh Patel	Joint Managing Director	10	10
Mr. Karshanbhai Patel	Director	10	10
Mr. Dineshbhai Dhanjibhai Pate	Independent Director	10	9
Mrs. Hetika Sagar Chandni	Independent Director	10	8

**NOTE:** After the closure of financial year 2022-23 the year the management of the company got changed Mr. Vijay Singla, Ms. Santosh Rani, Mr. Chetan Singla ("Acquirers"), Consequently the composition of the Board and committee reconstituted and is now headed by Mr. Vijay Singla, Managing Director, Mr. Chetan Singla, Joint Managing Director, Ms. Pavni Singla, Additional Director Cum Chief Financial Officer, Mrs. Sangeeta Mehtani (Independent Director), Mr. Kailash Garg (Independent Director), and Mr. Gurpreet Singh Bhatia (Independent Director)

#### COMMITTEES OF THE BOARD:

Matters of policy and other relevant and significant information are furnished regularly to the Board. To provide better Corporate Governance & transparency, currently, your Board has four (4) Committees viz., Audit Committee, Remuneration & Nomination Committee, Stakeholders Relationship Committee and Preferential Issue Committee look into various aspects for which they have been constituted. The Board fixes the terms of reference of Committees and also delegate powers from time to time.

#### The Board has constituted the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Preferential Issue Committee\*

\*Constituted on 3<sup>rd</sup> May, 2023

#### Audit Committee:

The Company has constituted the Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013. The Audit Committee comprises of non-executive Independent Director and Director as its Member. The Chairman of the committee is Independent Director.

During the Financial year 2022-23, Six (6) meeting of audit committee held on April 10, 2022; May 30, 2022; August 20, 2022; November 05, 2022; January 20<sup>th</sup> 2023 and March 20, 2023.

The Composition of Audit Committee and the details of meetings attended by members during the year are given below.

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	No of Meetings Held & Entitled to Attend	No of Meetings attended
1.	Mr. Dineshbhai Dhanjibhai Patel	Chairman of committee	Independent Director Chairman	6	6
2.	Mrs. Hetika Sagar Chandni	Member	Non-Executive and Independent Director	6	6
3.	Mr. Karshanbhai Pate	Member	Non-Executive Director	6	6

Due to change in the Management of the company Audit committee also got reconstituted during the financial year 2022-23 and is now hereby headed by Mr. Gurpreet Singh Bhatia, Mrs. Sangeeta Mehtani, Mr. Kailash Garg and Mr. Vijay Singla.

The New Composition of Audit Committee is also available on the website of the company at [www.suranisteel.com](http://www.suranisteel.com).

#### Recommendations by the Audit Committee

All the recommendations made by the Audit Committee are accepted and implemented by the Board of Directors.

#### Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2022-23, two meeting of the Nomination and Remuneration Committee held on January 20, 2023 and March 10, 2023.

The Composition of Nomination and Remuneration Committee and the details of meetings attended by members during the year are given below.

Sr. No.	Name of the Director	Status in Committee	Nature of Directors hip	No of Meetings Held & Entitled to Attend	No of Meetings attended
1.	Mr. Dineshbhai Dhanjibhai Patel	Chairman of committee	Non- Executive and Independent Director	2	2
2.	Mrs. Hetika Sagar Chandni	Member	Non-Executive and Independent Director	2	2
3.	Mr. Karshanbhai Patel	Member	Non-Executive Director	2	2

Due to change in the Management of the company Nomination and remuneration committee also got reconstituted during the financial year 2022-23 w.e.f May 03, 2023 and is now hereby headed by Mr. Gurpreet Singh Bhatia, Mrs. Sangeeta Mehtani, Mr. Kailash Garg, Mr. Chetan Singla.

The Nomination and remuneration policy available on the website of the company at [www.suranisteel.com](http://www.suranisteel.com).

#### The terms of reference of the Nomination & Remuneration Committee are:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of the performance of independent directors and the board of directors;

Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

- 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; and

- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

No Complaint was received as well as pending during the financial year 2022-23.

#### Stakeholder Relationship Committee

The Company has constituted the Stakeholders Relationship Committee pursuant to the provisions of Section 178 of the Companies Act, 2013. The stakeholder relationship committee comprises non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director.

During the Financial year 2022-23, four (4) meeting of Stakeholder Relationship Committee were held on May 5, 2022, August 20, 2022, November 05, 2022 and March 10, 2023.

The Composition of Stakeholder and Relationship Committee and the details of meetings attended by the members during the year are given below:

Sr. No.	Name of the Director	Status in Committee	Nature of Directorship	No of Meetings Held & Entitled to Attend	No of Meetings attended
1.	Mr. Dineshbhai Dhanjibhai Patel	Chairman of committee	Independent Director Chairman	6	6
2.	Mrs. Hetika Sagar Chandni	Member	Non-Executive and Independent Director	6	6
3.	Mr. Karshanbhai Pate	Member	Non-Executive Director	6	6

Sr. No.	Name of the Director	Status in Committee	Nature of Directors hip	No of Meetings Held & Entitled to Attend	No of Meetings attended
1.	Mr. Dineshbhai Dhanjibhai Patel	Chairman of committee	Non-Executive and Independent Director	4	4
2.	Mrs. Hetika Sagar Chandni	Member	Non-Executive and Independent Director	4	4
3.	Mr. Karshanbhai Patel	Member	Non-Executive Director	4	4

Note: Due to change in the Management of the company Stakeholder Relationship committee also got reconstituted during the financial year 2022-23 w.e.f 03.05.2023 and is now hereby headed by Mr. Gurpreet Singh Bhatia, Mrs. Sangeeta Mehtani, Mr. Kailash Garg, Mr. Vijay Singla

#### The terms of reference of the Stakeholders Relationship Committee are:

Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

- Review of measures taken for effective exercise of voting rights by shareholders;

#### MEETING OF INDEPENDENT DIRECTORS:

During the year under review, the Independent Directors met on March 07, 2023 inter alia, to discuss:

1. Review of the performance of the Non- Independent Directors and the Board of Directors as a whole.
2. Review of the Chairman of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
3. Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

#### DECLARATION FROM INDEPENDENT DIRECTORS:

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under section 149(6) of the Companies Act, 2013.

#### CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business. The Company did not have any peculiar relationship or transactions with non-executive Directors during the year ended March 31<sup>st</sup>, 2023.

#### CORPORATE GOVERNANCE REPORT:

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a. Listed entity having paid up equity share capital not exceeding ₹ 10 Crore and Net worth not exceeding ₹ 25 Crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.

Your Company always places a major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an Organization's corporate governance philosophy is directly linked to high performance. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large and strives to serve their interests, resulting in creation of value for all its stakeholders. It may please be noted that as our Company is not falling in the applicability criteria prescribed as mentioned in the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. Hence, a separate Report on Corporate Governance is not forming part of this Annual Report.

## **MATERIAL AND SIGNIFICANT ORDERS PASSED BY REGULATORS & COURTS**

No significant or material orders have been passed by any Regulators or Courts or Tribunals which could impact the going concern status of the Company and/or its future operations.

### **AUDITORS:**

#### **STATUTORY AUDITORS:**

At the 7<sup>th</sup> AGM held on August 27, 2019 the Members were approved appointment of M/s. Ambalal Patel & Co. (FRN No. 100305W), Chartered Accountants as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 12<sup>th</sup> AGM.

Further due to change in management of the Company, existing Auditors have tendered their resignation and Board of Directors of the Company at their meeting held on August 24, 2023 have appointed M/s Anu & Associates, Chartered Accountants (Firm Registration No. 019624N) as Statutory Auditors of the Company in casual vacancy who shall hold the office up to the conclusion of 11<sup>th</sup> Annual General Meeting and further based on the recommendation of Audit Committee recommended for getting Member's approval on the appointment for the appointment of M/s Anu and Associates, Chartered Accountants (Firm Registration No. 019624N) as Statutory Auditors for 5 years who shall hold the office from the conclusion of 11<sup>th</sup> Annual General Meeting to be held in Year 2023 till conclusion of 16<sup>th</sup> Annual General Meeting to be held in year 2028.

#### **SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT:**

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. SV Associates, Company Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2022-23.

A Secretarial Audit Report for the Financial Year 2022-23 is annexed herewith as **Annexure-I** in **Form MR-3**, and forms an integral part of this Report. The Secretarial Audit Report does not contain any disqualification, reservation or adverse remark which needs any explanation or comments of the Board.

#### **INTERNAL AUDITOR:**

The Board of directors has appointed M/s. S. N. Shah & Associates, Chartered Accountants (FRN: 109782W), as the internal auditor of the company; The Internal Auditor conducts the internal audit of the functions & operations of the Company and review the adequacy and efficiency of the key internal controls from time to time and reports to the Audit Committee.

#### **INTERNAL FINANCIAL CONTROLS:**

The Company has a well-placed, proper and adequate internal financial control system which ensures that all the assets are

safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year the Internal Control weaknesses were identified and actions were taken to remediate them.

Your Company ensures adequacy, commensurate with its current size, scale and complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls, statutory compliances and other regulatory compliances. It is supported by the internal audit process and will be enlarged to be adequate with the growth in the business activity. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

#### **COST AUDITORS AND THEIR REPORT:**

In terms of the Section 148 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Company has made and maintained the cost accounts and records for the year 2022-23.

The Company has appointed M/s. C. B. MODH & CO., Cost Accountants, Ahmedabad (M. No:30056) as the Cost Auditors of the Company for audit of cost accounting records for the financial year 2022-23. The Cost Audit Report to the Central Government for the financial year ended 31<sup>st</sup> March, 2023 was approved by board of directors on August 24, 2023.

Further, the Board of Directors has appointed M/s. Balwinder & Associates, Cost Auditors as Cost Auditor of the Company for the financial year 2023-24 and fixed their remuneration, subject to ratification by the shareholders in the ensuing AGM of the Company.

#### **APPLICABILITY AND MAINTENANCE OF COST RECORDS**

In terms of Companies (Accounts) Amendment Rules, 2018, a disclosure is hereby made that maintenance of cost records as specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

#### **REVIEW OF AUDITORS REPORT AND SECRETARIAL AUDITORS REPORT:**

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. Ambalal Patel & Co. (FRN: 100305W), Chartered Accountants, Ahmedabad, in the Auditor's report and by Secretarial Auditors M/s. SV & Associates, Company Secretary in their Secretarial Audit Report for the Financial Year ended March 31<sup>st</sup>, 2023.

#### **REPORTING OF FRAUDS BY AUDITORS:**

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under review is presented in a separate section forming the part of the Annual Report is attached here with as **Annexure II**.

**DEMATERIALISATION OF SHARES:**

During the year under review, all the equity shares were dematerialized through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents 100% of the total paid-up capital of the Company. The Company ISIN No. is INE01ZJ01015 and Registrar and Share Transfer Agent is Link Intime India Private Limited.

**DIRECTOR REMUNERATION AND SITTING FEES:**

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2022-23.

No Sitting fees have been paid to the Non-executive directors and Independent Directors.

**RELATED PARTY TRANSACTIONS:**

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under are not attracted. No material related party transactions were entered into during the financial year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2022-23.

The Related Party Transactions are placed before the Audit Committee of the Company for prior approval, as required under applicable law. Prior omnibus approval of the Audit Committee, as required under Listing Regulations as amended, is also obtained for the transactions, which are of foreseen and repetitive nature.

The policy on Related Party Transactions on Materiality of and dealing with Related Party transactions as approved by the Board is uploaded on the Company's website i.e. [www.suranisteel.com](http://www.suranisteel.com)

**CREDIT RATING:**

The company has not obtained any rating from any Credit Rating Agency during the year.

**FORMAL ANNUAL EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning

such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non- Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

**CORPORATE SOCIAL RESPONSIBILITY:**

The provision of section 135 of Companies Act, 2013 for implementing Corporate Social Responsibility Policy, constitute committee and expenditure thereof is not applicable to the company since the company is not meeting with the criteria of net-worth, turnover or net profits mentioned therein.

**MEANS OF COMMUNICATION**

The Board believes that effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with Shareholders through multiple channels of communication such as Company's website and stipulated communications to Stock Exchanges where the Company's shares are listed for announcement of Financial Results, Annual Report, Company's policies, notices and outcome of Meetings, etc.

## a) Financial Results

The half-yearly and Annual financial results of the Company are published in accordance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## b) Newspapers wherein results are normally published as the Company is Listed on SME Platform, the provisions for publishing the financial results as per Regulation 47 of SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

## c) Any website, where displayed

The Financial Results of the Company are displayed on the Company's website i.e. <https://www.suranisteel.com/index.html>

**POLICIES OF THE COMPANY:****ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY**

The Board has adopted Vigil Mechanism/Whistle Blower Policy pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its Employees and Directors to the management about unethical behavior, actual or suspected fraud or violation of the Code of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements. The policy

provides for adequate safeguards against victimization of employees and Directors of the Company.

#### **REMUNERATION AND APPOINTMENT POLICY:**

The Company follows a policy on remuneration of Directors and senior management employees, details of the same are given in the website of the Company [www.suranisteel.com](http://www.suranisteel.com).

The committee must ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- 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.

#### **POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:**

Your Company has adopted the policy on Materiality of Related Party Transaction to set out the dealing with the transaction between the Company and its related parties. The Policy on Materiality of Related Party Transaction has been available on the website of the Company [www.suranisteel.com](http://www.suranisteel.com).

#### **POLICY OF CODE OF CONDUCT FOR DIRECTOR AND SENIOR MANAGEMENT:**

Your Company has adopted the policy of code of Conduct to maintain standard of business conduct and ensure compliance with legal requirements. The Policy on Code of Conduct for Director and Senior Management has been available on the website of the Company [www.suranisteel.com](http://www.suranisteel.com).

#### **PREVENTION OF INSIDER TRADING:**

Pursuant to provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by employees and other connected persons and code of practices and procedure for fair disclosure of unpublished price Sensitive Information. The same has been available on the website of the Company [www.suranisteel.com](http://www.suranisteel.com).

#### **POLICY ON THE PRESERVATION OF DOCUMENTS AND ARCHIVE POLICY:**

Pursuant to provision of the regulations, the board has formulated the policy on the Preservation of Documents & Archive policy. The same has been available at the website of company at [www.suranisteel.com](http://www.suranisteel.com).

#### **BUSINESS RISK MANAGEMENT:**

The Company has taken various steps in connection with the implementation of Risk Management measures in terms of provisions contained in the Companies Act, 2013, after identifying

the elements of risks which in the opinion of the Board may threaten the very existence of the Company. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by Board from time to time. Key risks identified are methodically addressed through mitigating actions on a continuing basis. The policy of risk management is made available on the website of the company at [www.suranisteel.com](http://www.suranisteel.com).

#### **VIGIL MECHANISM/WHISTLE BLOWER MECHANISM:**

Your Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism has been available on the website of the Company at [www.suranisteel.com](http://www.suranisteel.com).

#### **POLICY ON DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS AND INFORMATION:**

Your Company has adopted a Policy on Determination and Disclosure of Materiality of Events and Information. The Policy on Determination and Disclosure of Materiality of Events and Information has been available on the website of the Company at [www.suranisteel.com](http://www.suranisteel.com).

#### **PARTICULARS REGARDING EMPLOYEES REMUNERATION:**

During the year under review, there are no employees drawing remuneration which is in excess of the limit as prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information pertaining to section 197 read with rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is annexed herewith as **Annexure-II**

#### **DISCLOSURES BY DIRECTORS:**

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as information by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Companies Act, 2013.

#### **DISQUALIFICATIONS OF DIRECTORS:**

During the financial year 2022-23 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI letter dated 14<sup>th</sup> June, 2018 and NSE circular dated 20<sup>th</sup> June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**SECRETARIAL STANDARD:**

The Company has complied with all the applicable provisions of Secretarial Standard on Meetings of Board of Directors (SS-1), Revised Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India.

**OTHER REGULATORY REQUIREMENT:**

The Company has been complied with all regulatory requirements of central government and state government and there were no significant and material orders passed by the Regulators or Courts or Tribunals during the year impacting the going concern status and the Company's operations in future.

**SEBI COMPLAINTS REDRESS SYSTEM (SCORES):**

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2022-23.

**INVESTOR GRIEVANCES REDRESSAL STATUS:**

During the Financial Year 2022-23, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at [cs@suranisteel.com](mailto:cs@suranisteel.com).

**PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has always provided a safe and harassment free workplace for every individual especially for women in its premises through various policies and practices. Your company has been actively involved in ensuring that the clients and all the employees are aware of the provisions of the POSH Act and rights thereunder. There was no complaint received by the Company during the financial year 2021-2022 under the aforesaid Act.

**ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy required to conduct operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

**GREEN INITIATIVE**

Electronic copy of the Annual Report for FY 2022-23 and the Notice of the ensuing AGM is being sent to all shareholders whose email addresses are available in demat account and registered with Company's Registrar and Share Transfer Agent. As per the General Circular No. 20/2020 of Ministry of Corporate Affairs dated May 05, 2020, shareholders holding shares in demat form are requested to update their email addresses with their Depository Participant(s) and for shareholders holding shares in physical form, should get their email registered with Link Intime India Private Limited, Company's Registrar and Share Transfer Agent.

**APPRECIATION & ACKNOWLEDGEMENT**

Your Directors wish to place on record their gratitude to Shareholders for the confidence reposed by them and thank all the Clients, Dealers, and other business associates, regulatory and Government authorities for their continued support and contribution to the Company's growth. The Directors also wish to express their appreciation for the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

Your Board appreciates the precious support provided by the Auditors, Lawyers and Consultants. The Company will make every effort to meet the aspirations of its Shareholders.

For and on behalf of the Board,  
**Surani Steel Tubes Limited**

Date:  
Place: Dahegam (Gujarat)

Sd/-  
**Vijay Singla**  
Managing Director  
(DIN: 00156801)

Sd/-  
**Chetan Singla**  
Joint Managing Director  
(DIN: 00549795)

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2023**

[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,  
**Surani Steel Tubes Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "Surani Steel Tubes Limited" (hereinafter called the company) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and representations made by the Management, 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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2014 (Not applicable to the Company during Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during Audit Period); and

VI. Other laws as applicable to the company as per the representations made by the management.

2. We have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standard issued by the Institute of Company Secretaries of India.
  - (ii) The listing agreement entered into by the company with National Stock Exchange.
3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied

with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

4. We further report that as far as we have able to ascertain –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- The compliance of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
- Adequate notice was given to directors in advance to schedule the Board Meetings, Agenda and notes on agenda 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 based upon notices shown to us.
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review and minutes of the meetings duly recorded and signed by the chairman as minutes shown to us.

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

7. The equity shares of the Company were listed on SME platform of National Stock Exchange

For **SV Associates**  
Company Secretaries

**Sahil Malhotra**  
Company Secretary  
M.No. 38204

Date: 31.08.2023  
Place: Chandigarh

COP No. 14791  
UDIN: A038204E000898976

**'Annexure A'**

To,  
The Members,  
**SURANI STEEL TUBES LIMITED**

**OUR SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 31ST MARCH, 2023 IS TO BE READ ALONG WITH THIS LETTER MANAGEMENT'S RESPONSIBILITY**

1. It is the responsibility of the management of the company to maintain secretarial records, device proper system to ensure compliance with the maintenance of all applicable laws and regulations and to ensure that the system is adequate and operate effectively.

**AUDITOR'S RESPONSIBILITY**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Whenever required, we have obtained the management's representation about the compliance of laws, rules and regulation and happening of event etc.

**DISCLAIMER:**

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy of effectiveness with which the management has conducted the affairs of the Company.

For **SV Associates**  
Company Secretaries

**Sahil Malhotra**  
Company Secretary  
M.No. 38204

Date: 31.08.2023  
Place: Chandigarh

COP No. 14791  
UDIN: A038204E000898976

**DISCLOSURE UNDER SECTION 197(12), READ WITH RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014].**

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2022-23.

**A. Remuneration of Whole-Time Directors & Managing Director:**

No.	Name of Director	Remuneration In ₹	Designation	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31 <sup>st</sup> March 2023
1	Dinesh Karshan Patel	3,60,000	Managing Director	1.76:1	Nil
2	Mukesh Patel	3,60,000	Joint Managing Director	1.76:1	Nil

**B. Remuneration to Key Managerial Personnel:**

No.	Name of Director	Remuneration In ₹	Designation	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31 <sup>st</sup> March 2023
1	Gaurav Rajeshbhai Patel	4,74,000	Chief Financial Officer (CFO)	2.32:1	13%
2	Shwetal Ritesh Maliwal	1,94,000	Company Secretary (CS)	0.95:1	7%

- The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: as above
- The percentage increase in the median remuneration of employees in the financial year 2022-23 is 6% approx.
- The number of permanent employees on the rolls of Company in the financial year 2022-23: 52 Employees (including 2 Executive directors)

# INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**SURANI STEEL TUBES LIMITED**

## REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of M/s. SURANI STEEL TUBES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023 the Statement of Profit & Loss for the year then ended Including the cash flow statement for the year ended on that date annexed thereto, and a summary of 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 Companies Act, 2013 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, 2023, and its loss and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 opinion.

### Key Audit Matters

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

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

### Management's Responsibility for the 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 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 Rule 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 safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process

### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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 acquired by section 143(3) of the Act, we report that:
  - a. We have obtain 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 appears from our examination of those books;
  - c. The Balance Sheet , Statement of Profit and Loss and 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on 31<sup>st</sup> March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i The Company has disclosed the impact of pending litigation on its Financial position in its standalone Financial Statements Refer note no 29 to the Financial Statements.
    - ii The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii There were no amount which were required to be transferred to the Investors Education and Protection Fund by the company.
- iv (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v No dividend has been declared or paid during the year by the Company.

For **AMBALAL PATEL & CO.**

Chartered Accountants

Firm Reg. No. : 100305W

**CA Ghanshyam P Jajal**

Partner

M.No. 116814

UDIN: 23116814BGYKNM6821

Place: Ahmedabad

Date: 26-05-23

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 14 under the heading 'Report on other legal and regulatory requirements' of our report of even date on the financial statements for the year ended 45016)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

1 In respect of its Property, Plant and Equipment:

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (c) Title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.

2 In respect of its inventory:

- (a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the

Company with such banks or financial institutions are in agreement with the books of account of the Company.

- 3 The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, sub-paragraphs (a) to (f) of paragraph 3(iii) of the Companies (Auditor's Report) Order, 2020 ('the Order') are not applicable.
- 4 The Company has not granted any loans or made any investments or provided any guarantees or securities to the parties covered under sections 185 and 186 of the Act. Accordingly, the provisions of paragraph 3(iv) of the Order are not applicable to the Company.
- 5 The Company has not accepted any deposits or amounts which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act. Therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- 6 We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examinations of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory dues:
  - (a) 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 customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
  - (b) There are no dues of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable to the Company that have not been deposited on account of any dispute.
- 8 The Company has not surrendered or disclosed as income any transaction not recorded in the books of account during the year in the tax assessments under the Income-tax Act, 1961.

- 9 (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 utilised the money obtained by way of term loans during the year for the purposes for which the loans have been obtained.
- (c) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (d) On an overall examination of the financial statements of the Company, we report that the Company is not having subsidiaries, associates or joint ventures. Hence, the question of taking any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures does not arise.
- (e) We report that the Company is not having subsidiaries, joint ventures or associate companies. Therefore, the question of raising loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies does not arise.
- 10 (a) The Company has utilised the money raised by way of initial public offer / further public offer (including debt instruments) for the purposes for which they were raised.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and therefore the requirements of compliance with section 42 and section 62 of the Act and utilisation of the funds for the purposes for which they were raised do not arise.
- 11 (a) No material fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) As no material fraud by the Company or any fraud on the Company has been noticed or reported during the year, there is no necessity of filing any report in Form ADT-4 under sub-section (12) of section 143 of the Companies Act with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- 12 The Company is not a Nidhi company. Therefore, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- 13 The Company has entered into transactions with related parties in compliance with sections 177 and 188 of the Companies Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Companies Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- 14 The Company has an internal audit system commensurate with the size and nature of its business.
- 15 The Company has not entered into any non-cash transactions with its directors or persons connected with its directors during the year and hence provisions of section 192 of the Companies Act are not applicable to the Company.
- 16 (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and therefore, requirement of fulfilling the criteria of a CIC as well as fulfilment of criteria for an exempted or unregistered CIC are not applicable.
- (d) The Company is not part of any Group and hence criteria of the Group having more than one CIC as part of the Group and the number of CICs which are part of the Group are not applicable.
- 17 The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- 18 There has been no resignation of the statutory auditors during the year and accordingly the provisions of paragraph 3(xviii) of the Order are not applicable to the Company.
- 19 On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

- 20 The Company is not liable to spend or expend or contribute for Corporate Social Responsibility under section 135 of the Companies Act. Hence, the provisions of paragraph (xx) of the Order are not applicable.
- 21 The Company is not having any subsidiary, joint venture or associate company and as such the Company is not required to prepare consolidated financial statements. Hence, the provisions of paragraph (xxi) of the Order are not applicable to the Company.

For **AMBALAL PATEL & CO.**  
Chartered Accountants  
Firm Reg. No. : 100305W

**CA Ghanshyam P Jajal**  
Partner

M.No. 116814

UDIN: 23116814BGYKNM682

Place: Ahmedabad  
Date: 26-05-23

## **ANNEXURE B**

### **INDEPENDENT AUDITORS' REPORT ON INTERNAL FINANCIAL CONTROL**

#### **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013**

- 1 We have audited the internal financial controls over financial reporting of SURANI STEEL TUBES LIMITED as at 31/03/2023 in conjunction with our audit of the Balance Sheet, Statement of Profit & loss, Cash Flow statement & notes forming part of financial statement.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

- 2 Management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 by the Companies Act, 2013 ('the Act').

#### **AUDITOR'S RESPONSIBILITY**

- 3 Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on

our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

- 4 Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- 5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING .**

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

**OPINION**

8 In our opinion, 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 31/03/2023 based on the internal control over financial reporting criteria established by the management of the company considering the essential components of internal control stated in the Guidance Note.

For **AMBALAL PATEL & CO.**

Chartered Accountants

Firm Reg. No. : 100305W

**CA Ghanshyam P Jajal**

Partner

M.No. 116814

UDIN: 23116814BGYKNM6821

Place: Ahmedabad

Date: 26-05-23

# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2023

(₹ in lakh)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	828.40	828.40
(b) Reserves and surplus	3	1449.78	1629.11
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	0.00	0.00
(b) Deferred tax liabilities (Net)		56.28	63.67
(c) Long-term provisions	5	9.40	11.13
<b>3 Current liabilities</b>			
(a) Short-term borrowings	6	1133.05	1495.18
(b) Trade payables	7		
(i) total outstanding dues of micro enterprises and small enterprise		0.00	0.00
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		545.55	612.76
(c) Other current liabilities	8	63.14	475.57
(d) Short-term provisions	9	53.11	12.63
<b>TOTAL</b>		<b>4138.71</b>	<b>5128.45</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment and intangible assets:			
(i) Property, Plant & Equipment	10	460.23	1212.62
(ii) Intangible assets	10A	0.02	0.02
(iii) Capital Work in Progress		0.00	0.00
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments	11	13.00	13.00
(c) Long-term loans and advances	12	12.14	16.14
<b>2 Current assets</b>			
(a) Inventories	13	1731.98	2686.43
(b) Trade receivables	14	1329.82	502.95
(c) Cash & Bank Balances	15	80.98	13.45
(d) Short-term loans and advances	16	428.07	643.00
(e) Other current assets	17	82.48	40.85
<b>TOTAL</b>		<b>4138.71</b>	<b>5128.45</b>

Significant Accounting Policies

1

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date  
For **Ambalal Patel & Co.**  
Chartered Accountants  
Firm Reg. No. 100305W

**CA Ghanshyam P Jajal**  
Partner  
M. No. 116814  
UDIN: 23116814BGYKNM6821

Place : Ahmedabad  
Date : May 26, 2023

**For and on behalf of Board Of Director  
of SURANI STEEL TUBES LIMITED**

**Vijay Singla**  
Director  
(DIN 00156083)

**Dinesh Patel**  
Director  
(DIN 03585273)

**Gaurav Patel**  
Chief Financial Officer

**Mukesh Patel**  
Director  
(DIN 05331136)

**Mohinder Singh**  
Company Secretary

# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March, 2023

(₹ in lakh)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2023	Year Ended 31 <sup>st</sup> March, 2022
<b>I. Revenue from operations</b>	18	<b>12360.34</b>	13675.24
<b>II. Other income</b>	19	<b>21.08</b>	5.63
<b>III Total Income</b>		<b>12381.41</b>	<b>13680.87</b>
<b>IV. Expenses:</b>			
Cost of material consumed	20	<b>11666.81</b>	12949.59
Purchase of stock in Trade	21	<b>102.41</b>	323.54
Changes in inventories of Finished Goods , Stock in Trade & Scrap	22	<b>172.80</b>	(461.77)
Employee benefits expense	23	<b>158.84</b>	183.12
Finance costs	24	<b>112.34</b>	166.10
Depreciation and amortization expense		<b>94.19</b>	126.46
Other Expenses	25	<b>223.77</b>	204.03
<b>V. Total expenses</b>		<b>12531.14</b>	13491.07
<b>VI. Profit before exceptional and extraordinary items and tax (III-V)</b>		<b>(149.73)</b>	<b>189.80</b>
<b>VII Tax expense:</b>			
(1) Current tax		<b>37.00</b>	35.00
(2) MAT Credit Entitlement		<b>0.00</b>	(35.00)
(3) Deferred tax /(Assets)		<b>(7.40)</b>	4.40
		<b>29.60</b>	<b>4.40</b>
<b>VIII Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>(179.33)</b>	185.40
<b>IX Earnings per equity share (Face Value ₹ 10 per share)</b>			
(1) Basic (Amount in ₹)		<b>-2.16</b>	2.24
(2) Diluted (Amount in ₹)		<b>-2.16</b>	2.24
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date  
For **Ambalal Patel & Co.**  
Chartered Accountants  
Firm Reg. No. 100305W

**CA Ghanshyam P Jajal**  
Partner  
M. No. 116814  
UDIN: 23116814BGYKNM6821

Place : Ahmedabad  
Date : May 26, 2023

**For and on behalf of Board Of Director  
of SURANI STEEL TUBES LIMITED**

**Vijay Singla**  
Director  
(DIN 00156083)

**Dinesh Patel**  
Director  
(DIN 03585273)

**Gaurav Patel**  
Chief Financial Officer

**Mukesh Patel**  
Director  
(DIN 05331136)

**Mohinder Singh**  
Company Secretary

# Standalone CASH FLOW STATEMENT

for the year ended 31<sup>st</sup> March, 2023

Particulars	31-03-23 (₹ in lakh)	31-03-23 (₹ in lakh)	31-03-22 (₹ in lakh)	31-03-22 (₹ in lakh)
<b>A. Cash inflow/(outflow) from the opearating activities</b>				
Net profit before Tax and Extra-ordinary items		(149.73)		189.80
Adjustments for				
Depreciation	94.19		126.46	
Profit on sale of fixed asset	(36.50)		(2.42)	
Interest Paid	101.55		160.20	
Interest received on FDR	(1.43)	157.81	(0.79)	283.45
Operating Profit before working capital changes		8.09		473.25
Adjustment for:				
Current Assets				
Inventories	954.44		(516.98)	
Receivable	(826.87)		207.96	
Loans & Advances	177.30		(404.35)	
Current Liabilities				
Current Liabilities & Provision	(477.89)	(173.01)	718.46	5.08
Direct Taxes Paid		0.00		0.00
Net cash inflow/(outflow) from operating activities (A)		(164.93)		478.33
<b>B. Cash inflow/(outflow) from investing activity</b>				
Interest received on FDR	1.43		0.79	
Changes in Bank Deposits	(39.38)		(1.20)	
sale of fixed assets	703.48		3.80	
Purchase of Fixed Assets	(8.77)		(0.10)	
Net cash inflow/(outflow) from investing activity (B)		656.76		3.29
<b>C. Cash inflow/(outflow)from financing activity</b>				
Proceed from Prefrence shares issue	0.00			
Proceed from Issue of Shares	0.00		0.00	
Proceed from /(Repayment of) unsecured Loan	0.00		(0.00)	
Interest Paid	(101.55)		(160.20)	
Secured Loan recd/ (repaid)	(362.12)		(324.95)	
Net cash inflow/(outflow) from Fianancing activity (C)		(463.68)		(485.15)
Net Cash changes in cash and cash equivalent (A+B+C)		28.15		(3.53)
Opening balance of cash and cash equivalent		1.83		5.37
Closing balance of cash and cash equivalent		29.98		1.83
Increase in cash and cash equivalent		28.15		(3.53)

## Notes:

- Purchase of Fixed Assets are stated inclusive of movement of capital work in progress between the commencement and end of the year and are considered as a part of investing activity.
- The cash flow statement has been prepared under the "indirect method" as set out in Accounting Standard-3 Cash flow statement as issued by Institute Of Chartered Accountant of India.

As per our report of even date  
For **Ambalal Patel & Co.**  
Chartered Accountants  
Firm Reg. No. 100305W

**CA Ghanshyam P Jajal**  
Partner  
M. No. 116814  
UDIN: 23116814BGYKNM6821

For and on behalf of Board Of Director  
of SURANI STEEL TUBES LIMITED

**Vijay Singla**  
Director  
(DIN 00156083)

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Director  
(DIN 03585273)

**Gaurav Patel**  
Chief Financial Officer

**Mukesh Patel**  
Director  
(DIN 05331136)

**Mohinder Singh**  
Company Secretary

Place : Ahmedabad  
Date : May 26, 2023

# Notes forming part of the Financial Statements

## 1 Significant Accounting Policies

### i) Basis of Preparation :

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India, Section 133 of the Companies Act, 2013 and the applicable Accounting Standards read with rule 7 of the Companies (Accounts) Rules 2014. The company follows mercantile systems of accounting and recognised income and expenditures on accrual basis.

As per MCA Notification dated 16 th February 2015, Companies whose shares are listed on SME Platform as referred in chapter XB of SEBI (issue of capital disclosure requirement) regulations 2009 are exempted from compulsory requirement of adoption of IND AS. As the company is covered under exempted category, it has not adopted IND AS for Preparation of Financial Results.

### ii) Use of Estimates :

The preparation of financial statements in conformity with generally accepted principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### iii) Property, Plant, Equipment & Depreciation :

Property, Plant, Equipment except Land are stated at cost less accumulated depreciation.

Depreciation on additions or sale/discard of asset is being provided on pro-rata basis from the date on which such asset is ready to be put to use or date of sale/discard.

Depreciation is provided on Roll-sets on the basis of useful life of three years on Straight Line Method ('SLM') as specified in schedule II of the Companies Act, 2013 on pro rata basis from the date assets put to use.

Tangible assets are acquired by the company are reported at acquisition value, with deductions for accumulated depreciation and impairment losses, if any. The acquisition value includes the purchase price (Excluding refundable Taxes), and expenses directly attributable to assets to bring it to the factory and in the working condition for its intended use. Where the construction or development of any such assets requiring a substantial period of time to set up for its intended use, is funded by borrowings if any, the corresponding borrowing cost are capitalized up to the date when the asset is ready for its intended use.

Computer software costs capitalized are amortized using Straight Line Method ('SLM') on the basis of useful life specified in Schedule II to the Companies Act, 2013.

Intangible assets are reported at acquisition value with deductions for accumulated amortization and any impairment losses.

Capital work in progress includes cost of assets at sites and construction expenditure as well as Trial Run Production Loss/Gain.

### iv) Inventories :

Raw Materials, Stores, spares, consumables and Finished Goods are valued at cost or net realizable value, whichever is lower. The cost is ascertained using FIFO method.

The cost for Raw Materials, Stores, spares, consumables, has been arrived at using FIFO method, net of cenvat credit & Input Tax Credit availed.

The cost of Finished Goods is determined taking material cost (net of cenvat credit & Input Tax Credit availed), labour and relevant appropriate overheads.

### Waste & scrap are valued at Net realisable Value.

The cost for Traded Goods arrived at using FIFO method, net of cenvat credit & Input Tax Credit availed.

### v) Investments :

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current Investments are stated at lower of cost and net realizable value. A provision for diminution is made to recognize a decline, other than temporary, in the value of Long-term Investments.

### vi) Revenue Recognition :

#### A) Sale of Goods.

Sales are stated net of Excise duty, VAT, GST and Sales return, if any. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of goods from the premises of the company.

B) Dividend income is recognized when the company's right to receive dividend is established by the reporting Date.

C) Interest income is recognized on accrual basis on a time proportion basis taking into Account the Amount outstanding and the rate applicable. Interest income is included under the head "Other Income" in the statement of profit and loss.

### vii) Employee Benefits :

#### a) Short Term Employee Benefits

Short-term employee benefits are recognised as expense in the Statement of Profit & Loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues

As regards Liability towards Leave encashment, the employees have the option of encashing or availing the unavailed leave. The company measures the expected cost of such leave as the additional amount that it expects to pay as a result of the unused entitlements that has accumulated at the reporting date and makes provision as short term employee benefit.

**b) Long Term Employee Benefits**

Long term employees benefits and post-employment benefits both funded and non-funded are recognised as expenses in the statement of Profit and Loss of the year in which the related services is rendered based on actuarial valuation.

Company's Contribution towards provident fund are accounted for at pre-determined rates and deposited in to an EPFO.

**Gratuity is accounted for on the basis of actuarial valuation.**

The management is also of the opinion that the payment of Pension Act and Employees State Insurance Act is not applicable to the Company.

**viii) Impairment of Assets :**

An asset is considered as impaired in accordance with Accounting Standard 28 on impairment of Assets when at balance sheet date there are indications of impairment and the carrying amount of the asset exceeds its recoverable amount. The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account.

**ix) Earning per Share :**

The company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year. Diluted Earnings Per Share is computed by dividing the net profit or loss after tax for the year (after adjustment for diluted earning) attributable to equity shareholders by the weighted average number of Equity shares outstanding during the year.

**x) Provisions, Contingent Liabilities and Contingent Assets :**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.

**xi) Foreign Currency Transactions :**

All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions taken place. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.

**xii) Taxes on Income :**

Tax expense for a year comprises of current tax, deferred tax. Current tax is measured after taking into consideration, the deductions and exemptions admissible under the provisions of the Income Tax Act, 1961. Deferred tax reflects the impact of current year timing differences between taxable income and accounting

income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable or virtual certainty as the case may be, that the asset will be realized in future. Minimum Alternate tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that future economic benefit associated with it will flow to the company.

**xiii) GOODS AND SERVICE TAX CREDIT**

Input Tax Credit is accounted for on accrual basis on purchase of eligible inputs, capital goods and services.

**xiv) Borrowing cost**

Interest and other costs in connection with the borrowings of the funds to the extents related/attributed to the acquisition/construction of qualifying fixed assets are capitalized up to the date when such assets are ready for their intended use and other borrowing cost are charged to profit and loss statement.

**xv) Government Grants**

Grants and subsidies from the government are recognized when there is reasonable assurance that

- I. The company will comply with the conditions attached to them, and
- II. The grant/subsidy will be received.

Grant received against specific Fixed Assets are adjusted to the cost of the Assets and those to the nature of Promoter's contribution are credited to Capital reserve. Revenue grants are recognized as income on a systematic basis in the Statement of Profit and loss in accordance with the related scheme and in the period in which these are accrued.

**xvi) Cash Flow statement**

The cash flow statement is prepared by the indirect method set out in Accounting standard 3 (As-3) on "Cash flow statement" and present the cash flow by operating, investing & financing Activities of the company.

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**xvii) Research and Development**

Revenue expenditure, including overheads on Research and Development, is charged out as an expense through the natural heads of accounts in the year in which incurred. Expenditure which results in creation of capital asset is taken as Fixed Assets and depreciation is provided on such assets as are depreciable.

## NOTE 2 : SHARE CAPITAL

(₹ in lakh)

Particulars	As at		As at	
	Number	31-03-23	Number	31-03-22
<b>Authorised</b>				
Equity Shares of ₹ 10 each	90,00,000	900.00	90,00,000	900.00
<b>Issued</b>				
Equity Shares of ₹ 10 each	82,84,000	828.40	82,84,000	828.40
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 10 each	82,84,000	828.40	82,84,000	828.40
<b>Total</b>	82,84,000	828.40	82,84,000	828.40

## RECONCILIATION OF SHARES OUTSTANDING AT THE BEGINNING OF THE PERIOD &amp; AT THE END OF THE PERIOD

Particulars	As at		As at	
	Number	31-03-23	Number	31-03-22
Shares outstanding at the beginning of the year	82,84,000	828.40	82,84,000	828.40
Bonus Shares Issued during the year	-	0.00	-	0.00
Right Shares Issued during the year	-	0.00	-	0.00
Shares issued during the year	-	0.00	-	0.00
(Shares bought back during the year)	-	0.00	-	0.00
<b>Shares outstanding at the end of the year</b>	82,84,000	828.40	82,84,000	828.40

## DETAILS OF SHAREHOLDERS HOLDING SHARES ABOVE 5%

Name of Equity Share Holders	31 <sup>st</sup> March 2023		31 <sup>st</sup> March 2022	
	Number of Shares	%age of Holding	Number of Shares	%age of Holding
Rahul Bansal	11,24,000	13.57%	-	0.00%
Shital Vinod Patel	-	0.00%	5,66,000	6.83%

## SHAREHOLDING OF PROMOTERS

Promoter Name	As at 31 <sup>st</sup> March, 2023			As at 31 <sup>st</sup> March, 2022		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Dinesh K Patel .	4,07,000	4.91%	0.00%	4,07,000	4.91%	0.00%
Maniben Patel .	4,06,000	4.90%	0.00%	4,06,000	4.90%	0.00%
Karsanbhai Devjibhai Patel Huf .	3,52,000	4.25%	0.00%	3,52,000	4.25%	0.00%
Prakash Karsanbhai Patel Huf .	2,99,000	3.61%	0.00%	2,99,000	3.61%	0.00%
Vishram Shivgan Patel .	2,69,000	3.25%	0.00%	2,69,000	3.25%	0.00%
Mukesh Patel .	2,15,000	2.60%	0.00%	2,15,000	2.60%	0.00%
Karsen Patel .	2,12,000	2.56%	0.00%	2,12,000	2.56%	0.00%
Prakash Patel .	2,04,000	2.46%	0.00%	2,04,000	2.46%	0.00%
Laxmiben Vishrambhai Patel .	1,20,000	1.45%	0.00%	1,20,000	1.45%	0.00%
Mukeshbhai Patel Huf .	1,06,000	1.28%	0.00%	1,06,000	1.28%	0.00%
Vishrambhai Patel Huf .	1,00,000	1.21%	0.00%	1,00,000	1.21%	0.00%
Hetal D Patel .	64,000	0.77%	0.00%	64,000	0.77%	0.00%
Dimple M Patel .	60,000	0.72%	0.00%	60,000	0.72%	0.00%
<b>Total</b>	28,14,000	33.97%	-	28,14,000	33.97%	-

## TERMS / RIGHTS ATTACHED TO EQUITY SHARES

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share and ranks pari passu.

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

## NOTE 3 : RESERVES & SURPLUS

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A) Securities Premium</b>		
Opening Balance	1363.28	1363.28
Add : Securities premium credited on Share issue	0.00	0.00
Less : Premium Utilised for various reasons	0.00	0.00
Closing Balance	1363.28	1363.28
<b>B) Surplus in Statement of Profit &amp; Loss A/c</b>		
Opening balance	265.83	80.44
Add:		
Net Profit/(Net Loss) For the current year	(179.33)	185.40
Closing Balance	86.50	265.83
<b>Total</b>	<b>1449.78</b>	<b>1629.11</b>

## NOTE 4 : LONG TERM PROVISIONS

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Provision for employee benefits</b>		
Gratuity (unfunded)	9.40	11.13
<b>Total</b>	<b>9.40</b>	<b>11.13</b>

## NOTE 5 : SHORT TERM BORROWINGS

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
Working capital Loans from Bank	1133.05	1316.36
(Primarily Secured By Hypothecation of stock and receivables and security margin for Bank Guarantee and LC. Collaterally secured by personal guarantees from property owners and Directors/Shareholders and FIXED DEPOSIT of ₹ 50 Lakh Lien Marked in favour of Bank. The same is repayable on demand and carries interest @ 8.25%p.a.)		
<b>(b) Current maturities of long-term borrowing</b>	0.00	178.81
<b>Total</b>	<b>1133.05</b>	<b>1495.18</b>

Note: Quarterly return or statements are in agreement with books of account.

**NOTE 6 : TRADE PAYABLES**

(₹ in lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Due to Micro and Small Enterprises (refer note 31)	0.00	0.00
Due to Others (Include creditors for goods and services)	545.55	612.76
<b>Total</b>	<b>545.55</b>	<b>612.76</b>

**TRADE PAYABLES AGEING SCHEDULE AS AT 31-03-2023**

Promoter Name	As at 31 <sup>st</sup> March, 2023						
	Outstanding For Following periods from due date of payment						
	Not due for payment	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSMES	-	-	-	-	-	-	-
(ii) Others	448.76	-	94.31	2.48	0.00	0.00	545.55
(iii) Disputed Dues MSMES	-	-	-	-	-	-	0.00
(iv) Disputed Dues Others	-	-	-	-	-	-	0.00
TOTAL	448.76	-	94.31	2.48	0.00	0.00	545.55

**TRADE PAYABLES AGEING SCHEDULE AS AT 31-03-2022**

Promoter Name	As at 31 <sup>st</sup> March, 2022						
	Outstanding For Following periods from due date of payment						
	Not due for payment	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSMES	-	-	-	-	-	-	0.00
(ii) Others	277.43	-	335.15	0.00	0.08	0.10	612.76
(iii) Disputed Dues MSMES	-	-	-	-	-	-	0.00
(iv) Disputed Dues Others	-	-	-	-	-	-	0.00
TOTAL	277.43	-	335.15	0.00	0.08	0.10	612.76

**NOTE 7 : OTHER CURRENT LIABILITIES**

(₹ in lakh)

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Statutory Liabilities	5.08	5.79
(b) Advance From Customers	29.89	48.41
(c) Advance against sale of Property	0.00	375.00
(d) Dealers Distributors Deposits	1.79	2.04
(e) Other Outstanding Expenses & Payables	26.38	44.33
<b>Total</b>	<b>63.14</b>	<b>475.57</b>

**NOTE 8 : SHORT TERM PROVISIONS**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Provision for employee benefits</b>		
Leave Encashment	3.10	3.54
Bonus	5.14	5.74
Gratuity (unfunded)	7.87	3.36
<b>(b) Others</b>		
Provision for Taxation	37.00	0.00
<b>Total</b>	<b>53.11</b>	<b>12.63</b>

**NOTE 9 : PROPERTY, PLANT AND EQUIPMENT**

(₹ in lakh)

Name of Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01/04/2022	Additions	Balance as at 31/03/2023	Balance as at 01/04/2022	Depreciation charge for the year	On disposals	Balance as at 31/03/2023	Balance as at 31/03/2022
<b>Property, Plant &amp; Equipments</b>								
Land	87.30	0.00	41.74	0.00	0.00	0.00	41.74	87.30
Buildings	280.26	0.00	91.59	40.84	5.57	(20.60)	65.79	239.43
Plant and Equipment	1420.68	6.48	736.54	550.24	86.33	(238.34)	398.22	870.45
Furniture and Fixtures	3.20	0.22	3.18	1.98	0.30	(0.08)	0.97	1.22
Vehicles	27.04	0.00	25.74	13.62	1.57	(0.39)	14.80	13.42
Office equipment	7.96	2.07	10.03	7.15	0.42	0.00	2.47	0.81
<b>Total</b>	<b>1826.44</b>	<b>8.77</b>	<b>908.82</b>	<b>613.82</b>	<b>94.19</b>	<b>(259.41)</b>	<b>460.23</b>	<b>1212.62</b>
Capital Work In Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Previous Years' Figures	1827.84	0.10	1826.44	487.48	126.46	(0.12)	1212.62	1340.36

**NOTE 10A : INTANGIBLE ASSETS**

(₹ in lakh)

Name of Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01/04/2022	Additions	Balance as at 31/03/2023	Balance as at 01/04/2022	Depreciation charge for the year	On disposals	Balance as at 31/03/2023	Balance as at 31/03/2022
Computer software.	0.32	0.00	0.32	0.31	0.00	0.00	0.02	0.02
<b>Total</b>	<b>0.32</b>	<b>0.00</b>	<b>0.32</b>	<b>0.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.02</b>	<b>0.02</b>
Previous Years' Figures	0.32	0.00	0.32	0.31	0.00	0.00	0.02	0.02
Capital Work In Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total ( c )</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total (a+b+c)</b>	<b>1826.76</b>	<b>8.77</b>	<b>909.14</b>	<b>614.12</b>	<b>94.19</b>	<b>(259.41)</b>	<b>460.24</b>	<b>1212.64</b>

(₹ in lakh)

#### NOTE 11 : NON CURRENT INVESTMENT

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A Other Investments</b>		
(A) Investment in Equity Instruments	13.00	13.00
Total (B)	13.00	13.00
Grand Total (A)	13.00	13.00
Less : Provision for diminution in the value of Investments	0.00	
<b>Total</b>	<b>13.00</b>	<b>13.00</b>

#### A. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			31.03.2023	31.03.2022			31.03.2023	31.03.2022	31.03.2023	31.03.2022		
1	2	3	4	5	6	7	8	9	10	11	12	13
(A)	Investment in Equity Instruments											
	SHARE OF CO OP BANK	Others	13000	13000	Un quoted	fully paid			13.00	13.00	yes	N.A
	Total		13,000	13,000					13.00	13.00		

#### NOTE 12 : LONG TERM LOANS & ADVANCES

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a. Capital Advances</b>		
Unsecured, considered good	0.00	0.00
<b>b. Security Deposits</b>		
Unsecured, considered good	12.14	16.14
<b>Total</b>	<b>12.14</b>	<b>16.14</b>

#### NOTE 13 : INVENTORIES

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
a. Raw Materials and components (Valued at lower of the cost or net realisable value )	491.54	1284.22
b. Work-in-progress (Valued at cost)	121.67	385.73
c. Finished goods (Valued at lower of the cost or net realisable value )	1041.71	990.35
d. Stock-in-trade (Valued at lower of the cost or net realisable value )	25.07	0.00
e. Stores and spares (Valued at lower of the cost or net realisable value )	17.00	5.96
f. Others (Scrap) (Valued at net realisable value )	34.99	20.17
<b>Total</b>	<b>1731.98</b>	<b>2686.43</b>

#### NOTE 14 : TRADE RECEIVABLES

PARTICULARS	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	86.49	113.73
	<b>86.49</b>	<b>113.73</b>
<b>Trade receivables outstanding for a period less than six months from the date they are due for payment</b>		
Unsecured, considered good	1243.32	389.22
	<b>1243.32</b>	<b>389.22</b>
<b>Total</b>	<b>1329.82</b>	<b>502.95</b>

#### TRADE RECEIVABLES AGEING SCHEDULE AS AT 31-03-2023

(₹ in lakh)

Promoter Name		As at 31 <sup>st</sup> March, 2023							
		Outstanding For Following periods from due date of payment							
		Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	Undisputed Trade Receivable - considered good	677.59	-	565.73	1.51	5.12	25.06	54.80	1329.82
(ii)	Undisputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
TOTAL		677.59	0.00	565.73	1.51	5.12	25.06	54.80	1329.82

## TRADE RECEIVABLES AGEING SCHEDULE AS AT 31-03-2022

(₹ in lakh)

Promoter Name		As at 31 <sup>st</sup> March, 2022							
		Outstanding For Following periods from due date of payment							
		Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i)	Undisputed Trade Receivable - considered good	235.21	-	164.67	15.57	26.60	53.37	7.52	502.95
(ii)	Undisputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
(iii)	Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
Total		235.21	0.00	164.67	15.57	26.60	53.37	7.52	502.95

## NOTE 15 : CASH &amp; BANK BALANCES

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a. Cash &amp; Cash Equivalants</b>		
i) Cash on hand	1.08	0.56
ii) Bank Balance	28.90	1.28
<b>b. Other Bank balances</b>		
<b>Bank Deposits</b>		
Deposits with less than 12 months maturity	50.00	0.00
(This includes Fixed Deposit of ₹ 50 Lakh (P.Y. 11.62 lakh) given as Lien Marked in Favour of Bank as collateral Security.)		
Deposits with more than 12 months maturity	1.00	11.62
<b>Total</b>	<b>80.98</b>	<b>13.45</b>

## NOTE 16 : SHORT TERM LOANS &amp; ADVANCES

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>a. Others</b>		
<b>Unsecured, considered good</b>		
Advance to Suppliers	25.83	248.24
Employee advance	2.30	0.00
Prepaid & Other Expenses	9.55	19.35
Deposits & Balance with Government & others	390.39	374.48
<b>Total</b>	<b>428.07</b>	<b>643.00</b>

## NOTE 17 : OTHER CURRENT ASSETS

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Unsecured, considered good</b>		
Advance Recoverable in Cash or Kind	7.79	7.79
Interest Receivable	7.49	0.56
Unamortised Public Issue Expenses	8.55	18.80
Claims & Other Receivable	58.65	13.70
<b>Total</b>	<b>82.48</b>	<b>40.85</b>

#### NOTE 18 : REVENUE FROM OPERATION

(₹ in lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Sale of ERW MS PIPES and Coils (Net of Rate Difference and discount)	11796.83	13354.92
Sale of services	8.05	0.14
<b>Other operating revenues</b>		
Sale of scrap	287.71	320.19
Liquidated damages Claims received	267.75	0.00
	12360.34	13675.24
<b>TOTAL</b>	<b>12360.34</b>	<b>13675.24</b>

#### NOTE 18 : OTHER INCOME

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest Income	1.86	2.36
Sundry balance Written back	5.05	0.84
Profit on sale of Fixed Asset	12.38	2.42
Dividend income	1.04	0.00
Rent of godown	0.75	0.00
<b>TOTAL</b>	<b>21.08</b>	<b>5.63</b>

#### NOTE 19 : COST OF MATERIAL CONSUMED

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Opening stock	1284.22	1230.89
Purchases	11228.22	13394.94
insurance exps.	0.00	0.01
Freight on Purchases	0.67	2.78
(Less)		
Discount Received	(354.76)	(394.81)
Closing stock	(491.54)	(1284.22)
<b>TOTAL</b>	<b>11666.81</b>	<b>12949.59</b>

#### NOTE 20 : PURCHASE OF STOCK IN TRADE

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Purchases	102.41	323.54
<b>TOTAL</b>	<b>102.41</b>	<b>323.54</b>

#### NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS , STOCK IN TRADE & SCRAP

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>FINISHED GOODS</b>		
Opening Stock	990.35	673.86
Less: Closing Stock	1041.71	990.35
	(51.37)	(316.49)
<b>WORK IN PROGRESS</b>		
Opening Stock	385.73	219.01
Less: Closing Stock	121.67	385.73
	264.05	(166.72)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>SCRAP</b>		
Opening Stock	20.17	15.19
Less: Closing Stock	34.99	20.17
	(14.82)	(4.99)
<b>Stock in Trade</b>		
Opening Stock	0.00	26.42
Less: Closing Stock	25.07	0.00
	(25.07)	26.42
<b>TOTAL</b>	<b>172.80</b>	<b>(461.77)</b>

**NOTE 22 : EMPLOYEE BENEFITS EXPENSE**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Salaries and incentives	148.31	171.88
(b) Contributions to -		
(i) Provident fund	0.34	0.34
(c) Gratuity	3.79	2.25
(d) Staff welfare expenses	0.69	1.56
(e) Leave Encashment Exp	5.71	7.09
<b>TOTAL</b>	<b>158.84</b>	<b>183.12</b>

**NOTE 23 : FINANCE COSTS**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Interest expense	101.55	160.20
Other borrowing costs	10.79	5.89
<b>TOTAL</b>	<b>112.34</b>	<b>166.10</b>

**NOTE 24 : OTHER EXPENSES**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Auditors remuneration	1.80	1.50
Consumption of stores and spare parts	36.71	30.29
Power & Fuel	84.02	83.76
<b>Repair and Maintenance</b>		
To buildings	1.29	0.00
To Plant & Machineries	13.55	14.98
To Others	2.10	2.98
Legal & Professional Exp.	17.87	14.04
Insurance exps.	5.13	5.77
Rates and taxes, excluding taxes on income	0.59	0.82
Bad debts	7.38	0.00
Advertisement & Sales Promotion Exps.	4.49	2.62
Miscellaneous expenses	48.84	47.27
<b>TOTAL</b>	<b>223.77</b>	<b>204.03</b>

## 25 ADDITIONAL REGULATORY INFORMATION

### 1 Revaluation of property, plant and equipment

The Company has not revalued any of the property, plant and equipment during the year.

### 2 Loans or advances - Additional disclosures

The Company has not granted any loan or advance in nature of loan to promoters, directors, key managerial personnel and related parties as defined under the Companies Act, 2013 either severally or jointly with any other person that is (a) repayable on demand; or (b) without specifying any terms or period of repayment.

b. Particulars of Investments - Refer Note 11 on Non-current Investments.

c. There is no guarantee given or security provided by the Company.

### 3 Undisclosed Income

The Company has not surrendered or disclosed as income any transaction not recorded in the books of account during the year in the tax assessments under the Income-tax Act, 1961.

### 4 Capital work-in-progress (CWIP)

The Company is not having any capital work-in-progress during the year or previous year.

### 5 Intangible assets under development

The Company is not having any intangible asset under development during the year or previous year.

### 6 Details of Benami Property held

No proceedings have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and the rules made thereunder as amended from time to time.

### 7 Security of current assets against borrowings

The Company has borrowings from banks or financial institutions on the basis of security of current assets during the year. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of account. Hence, requirements of furnishing summary of reconciliation and reasons of material discrepancies do not apply.

### 8 Wilful defaulter

The Company has borrowings from banks or financial institutions or other lenders. However, the Company has not been declared a wilful defaulter at any time during the year or after the end of reporting period, but before the date when financial statements are approved or in an earlier period and the default has continued for the whole or part of the current year by any bank or financial institution or other lender.

### 9 Relationship with Struck off companies

The Company has no transaction during the year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

### 10 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

### 11 Compliance with number of layers of companies

The Company is not having any subsidiary. Hence, requirement of compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable

## 12 Analytical Ratios:

(₹ in lakh)

Ratio	Numerator	Denominator	Current period	Previous period	% variance	Reason for variance by more than 25%
Current ratio	Total current assets	Total current liabilities	2.04	1.50	35.96	The current assets are increased compared to increase in current liability, hence there is increase in ratio.
Debt-equity ratio	Total debts consist of borrowings and lease liabilities	Total equity	0.50	0.61	-18.25	
Debt service coverage ratio	Earnings available for debt service = profit before taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	0.04	2.20	-98.18	Debt service coverage ratio reduced due to decrease in Net profit
Return on equity ratio	Net profit after tax	Average total equity	-0.08	0.08	-196.61	Return on equity ratio lower due to reduced Net Profit after Tax
Inventory turnover ratio	Cost of goods sold or sales = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-process and stock-in-trade	Average inventories	5.41	5.28	2.44	
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	13.49	22.53	-40.14	Trade receivables turnover ratio increased due to higher credit period.
Trade payables turnover ratio	Net credit purchases of raw materials + net credit purchases of stock-in-trade	Average trade payables	19.56	29.64	-33.99	Average trade payable outstanding are reduced compared to previous year
Net capital turnover ratio	Revenue from operations	Average working capital = Average current assets - Average current liabilities	7.85	11.04	-28.89	As the revenue from operations are decreased compared to previous year, there is reduction in ratio compared to last year
Net profit ratio	Net profit after tax	Revenue from operations	-0.01	0.01	-207.02	Due to loss in current year there is impact on net profit ratio
Return on capital employed	Earnings before tax and finance costs	Capital employed = Net worth + Total borrowings + Lease liabilities + Deferred tax liabilities	-0.01	0.09	-112.17	Return on capital employed lower due to loss in current year compared to previous year
Return on investment	Income generated from invested funds	Average invested funds	-0.22	0.22	-196.73	Net profit has been decreased compared to previous year.

### 13 Compliance with approved Scheme(s) of Arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year. Hence, the requirements of disclosure of effect of such Scheme of Arrangements in the books of account in accordance with the Scheme and in accordance with accounting standards are not applicable.

### 14 Utilisation of Borrowed funds and share premium

- (A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) during the year with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) during the year with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) 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
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

**NOTE 26 :** In compliance with the accounting standard-22 relating to "Accounting for taxes on Income" the deferred tax liability of current year is debited to Profit & Loss Account.

#### Deferred tax working:

(Amount in ₹)

Particulars	As on 01/04/2022	Charge/ (Credit) during the year to P & L A/c	As on 31/03/2023
Deferred tax (Assets) / Liabilities on account of depreciation	63.67	(6.41)	<b>57.26</b>
Deferred tax (Assets) / Liabilities on account of others	NIL	(0.98)	<b>(0.98)</b>
Net Deferred tax (Assets)/ liabilities	63.67	(7.40)	56.28

**NOTE 27 :** Balances of unsecured loans, debtors, creditors for goods, creditors for expenses, loans and advances, advance to suppliers & advance from customers are subject to confirmation and reconciliation, if any. Such adjustments, in the opinion of the management, are not likely to be material & will be carried out as and when ascertained. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated therein, if realized in the ordinary course of business. The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary.

#### NOTE 28 : CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for is NIL (Previous Year NIL) (Advance paid upto March 2023 is NIL) (Previous Year NIL/-).

**NOTE 29 : CONTINGENT LIABILITIES**

Description	31-03-23	31-03-22
Gurantees given by the bank on behalf of the company	0.00	0.00

**NOTE 30 :** Earning per share as required by Accounting Standard AS-20 as issued by the The Institute of Chartered Accountants of India

Description	Current Year	Previous Year
Profit After Tax (₹)	(179.33)	185.40
Prior Period Tax Adjustment (₹)	0.00	0.00
Profit Attributable to Ordinary Share Holders (₹)	(179.33)	185.40
Weighted Average No. of Equity Shares	82.84	82.84
Basic & Diluted Earning Per Share (₹)*	(2.16)	2.24
Nominal Value of share (₹)	10.00	10.00

\*The company has no dilutive instruments during the year ended 31/03/2023. As such Dilutive Earning Per share equals to Basic Earnings Per Share.

**NOTE 31 :** There are no Micro and Small Enterprises, to whom the Company owes dues as at 31.03.2023 (Nil as at 31.03.2022). This has been determined to the extent the status of such parties could be identified on the basis of information available with the Company.

**Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:**

Description	Current Year	Previous Year
Principal amount remaining unpaid as at year end	-	-
Interest due thereon remaining unpaid as at year end	-	-
Interest paid by the company in terms of Section 16 of MSME Development Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed day during the year	-	-
Interest due and payable for the period of delay in making payment but without adding the interest specified under MSME Development Act, 2006.	-	-
Interest accrued and remaining unpaid as at year end.	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	-	-

\*The company has no dilutive instruments during the year ended 31/03/2023. As such Dilutive Earning Per share equals to Basic Earnings Per Share.

**NOTE 32 : AUDITOR'S REMUNERATION**

(Amount in ₹)

Particulars	Current Year	Previous Year
- As Auditors	1.80	1.50
<b>Total</b>	<b>1.80</b>	<b>1.50</b>

**NOTE 33 :** Related party disclosure as required by Accounting Standard -18 issued by the Institute of Chartered Accountants of India.

**A) List Of Related parties & Relationships**

a) Subsidiaries, Fellow Subsidiaries, and Associates

a) **Subsidiaries :** None

b) **Fellow Subsidiary :** None

c) **Associates :** None

b) **Key Management Personnel :**

- 1) Dinesh Karshanbhai Patel (Director)
- 2) Mukesh Vishrambhai Patel (Director)
- 3) Karshanbhai Patel(Director)
- 4) Hetika Dipak Kinger(Director)
- 5) Dineshbhai Dhanjibhai Patel (Director)
- 6) Gaurav Rajeshbhai Patel(CFO)
- 7) Shwetal Maliwal (Company Secretary)

c) **Relatives of Key Management Personnel :** -

d) **Enterprise over which Key Management Personnel and their relative exercise significant influence with whom transaction have taken place during the year :**

- 1) Vinayak TMT Bars Pvt. Ltd

**B) Transaction with related parties**

(Amount in ₹)

Description	Subsidiaries, Fellow Subsidiaries, and Associates		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Controlled by Key management Personnel and their relatives	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase of Goods/ Services	-	-	-	-	-	-	-	-
Sales of Goods / Services	-	-	-	-	-	-	161.65	209.75
(Purchase) / Sales of Assets	-	-	-	-	-	-	4.00	-
Commission & other Expenses paid	-	-	-	-	-	-	-	-
Interest Received/ (Paid)	-	-	-	-	-	-	-	-
Dividend Received / (paid)	-	-	-	-	-	-	-	-
Remunerations	-	-	14.42	14.20	-	-	-	-
Hire Charges paid	-	-	-	-	-	-	-	-
Lease Rent Paid	-	-	-	-	-	-	-	-
Outstanding Balance at the year end								
Loans & Advance (incl. interest)	-	-	-	-	-	-	-	-
Deposit	-	-	-	-	-	-	-	-
Debtors	-	-	-	-	-	-	0.00	0.01
Creditors	-	-	-	-	-	-	-	-

**NOTE 35 : IMPAIRMENT OF FIXED ASSETS**

In accordance with the Accounting Standard (AS-28) on 'Impairment of Assets' notified by Companies (Accounting Standards) Rules, 2006, the company has reassessed its fixed assets and is of the view that no further impairment/reversal is considered to be necessary in view of its expected realizable value.

**NOTE : 36 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD - 15 (REVISED) "EMPLOYEE BENEFITS".**

- (a) Disclosure of Present value of Obligation as per Gratuity Valuation Report of the Company as follows
- (b) Details of funded & unfunded plans are as follows:

**Gratuity**

Particulars	31-03-23	31-03-22
<b>1 Financial Assumption</b>		
Discount Rate	7.44%	6.96%
Salary Escalation Rater	4.00%	4.00%
Duration of the Liability	9	9
<b>2 Changes in the PV of Obligation</b>		
PV of Obligation at the beginning of the year	18.90	17.74
Interest Cost	1.01	0.98
Current Service Cost	2.43	2.71
(Benefits Paid)	(5.42)	1.09
Actuarial (Gain) / Loss on Obligation (Netting Figure)	0.35	(1.45)
Pv of Obligation at the end of the year	17.27	18.90
<b>3 Changes in the PV of Plan Asset</b>		
Fair Value of Plan Asset at the beginning of the year	-	-
Expected Return on Plan Asset	-	-
Contributions	-	-
(Benefits Paid)	-	-
Actuarial gain / (Loss) on Plan Asset	-	-
Fair Value of Plan Asset at the end of the year	-	-
<b>4 Reconciliation of Net Assets / Liability recognised in the balance sheet at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022</b>		
Net Assets / (Liability) at the beginning of the reporting period	(18.90)	(17.74)
Benefit Paid		
Employer Contributions	0.00	0.00
Employer (Expenses)/credit	(3.79)	(2.25)
Benefit Paid Directly by the Employer	5.42	1.09
Acquisitions/ Business Combinations	0.00	0.00
Net Assets / (Liability) at the end of the reporting period	(17.27)	(18.90)
<b>5 Actuarial Gain / Loss Recognized</b>		
Actuarai (Gain) / Loss on Obligation	0.35	(1.45)
Actuarai (Gain) / Loss for the year on Plan Asset	0.00	0.00
Total (Gain) / Loss for the Year		0.00
Actuarial (gain) / loss recognized in the yaer.	0.35	(1.45)

Particulars	31-03-23	31-03-22
<b>6 Amount recognized in Balance Sheet</b>		
PV of Obligation at the end of the year.	(17.27)	(18.90)
Fair Value of Plan Asset at the end of the year.	0.00	0.00
Fund Status	0.00	0.00
Net asset / (Liability) recognized in the Balance Sheet	(17.27)	(18.90)
<b>Bifurcation of liability</b>		
Current Liability	(7.87)	(7.77)
Non- current liability	(9.40)	(11.13)
<b>Total</b>	(17.27)	(18.90)
<b>7 Expenses Recognized in the Profit &amp; Loss Account</b>		
Current Service Cost	2.43	2.71
Interest Cost	1.01	0.98
(Expected Return on Plan Asset)	0.00	0.00
Net Actuarial (gain) / Loss recognized in the year	0.35	(1.45)
Expenses recognized in Profit & Loss Account	3.79	2.25

#### NOTE 37 : SEGMENT REPORTING

The company is engaged in single segment of business i.e. manufacturing ERW MS PIPES & Trading of MS PIPE. As regards geographical segment, company operates in single segment i.e. India only. Hence, no separate disclosure is given as per AS - 17 "Segment Reporting".

**NOTE 38 :** As per the Shareholder's consent obtained through Postal ballot and e-voting , Company has sold undertaking(Unit-II) along with Plant and Machinery, Land and buliding Located at survey No 107, 104 and 105 at Village Sujana Muvada, Sampa- Lavad Road, Tal : Dahegam, District: Gandhinagar, Gujarat-382315

**NOTE 39 :** There being no foreign exchange earning/outgo during the period under review so that Additional information pursuant to the provisions of Schedule III to the Companies Act, 2013 is not provided.

**NOTE 40 :** Previous year figures are regrouped and rearranged wherever necessary to compare with current year figures.

**NOTE 41 :** Figures are rounded off to the nearest rupee in lakhs.

As per our report of even date  
For **Ambalal Patel & Co.**  
Chartered Accountants  
Firm Reg. No. 100305W

**CA Ghanshyam P Jajal**  
Partner  
M. No. 116814  
UDIN: 23116814BGYKNM6821

Place : Ahmedabad  
Date : May 26, 2023

**For and on behalf of Board Of Director  
of SURANI STEEL TUBES LIMITED**

**Vijay Singla**  
Director  
(DIN 00156083)

**Dinesh Patel**  
Director  
(DIN 03585273)

**Gaurav Patel**  
Chief Financial Officer

**Mukesh Patel**  
Director  
(DIN 05331136)

**Mohinder Singh**  
Company Secretary



**Registered Office**

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