



SHAH ALLOYS LIMITED

**ANNUAL
REPORT**

2022-23

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Rajendra V. Shah	(DIN: 00020904)	Non-Executive Chairman
Shri Ashok Sharma	(DIN: 00038360)	Whole-Time Director
Shri Mrinal Sinha	(DIN: 09482143)	Whole-Time Director
Shri Prakash Patel	(DIN: 09482087)	Whole-Time Director
Shri G.M. Shaikh	(DIN: 00367186)	Independent Director
Shri Tejpal S. Shah	(DIN: 01195357)	Independent Director
Shri Harshad M. Shah	(DIN: 01309096)	Independent Director
Smt. Shefali M. Patel	(DIN: 07235872)	Independent Director

CHIEF FINANCIAL OFFICER

Shri Ashok Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Mayank Chadha (M. No. A54288)
(Appointed w.e.f. 29.05.2023)

Shri Vinay Mishra (M. No. F11464)
(Resignation w.e.f. 20.04.2023)

AUDIT COMMITTEE

Shri G. M. Shaikh, Chairman
Smt. Shefali M. Patel, Member
Shri Rajendra V. Shah, Member

NOMINATION AND REMUNERATION COMMITTEE

Shri G. M. Shaikh, Chairman
Smt. Shefali M. Patel, Member
Shri Rajendra V. Shah, Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Shri G. M. Shaikh, Chairman
Smt. Shefali M. Patel, Member
Shri Ashok Sharma, Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri Ashok Sharma, Chairman
Shri G. M. Shaikh, Member
Shri Rajendra V. Shah, Member

REGISTERED OFFICE

5/1 Shreeji House,
B/h M.J. Library, Ashram Road,
Ahmedabad – 380 006

ADMINISTRATIVE OFFICE

Shah Alloys Limited
Corporate House,
Sola-Kalol Road, Village Santej,
Dist.-Gandhinagar-382 721

PLANT

Shah Industrial Estate,
Block No. 2221, Sola – Kalol Road,
Village – Santej, Dist. – Gandhinagar-382 721

STATUTORY AUDITORS

M/s. Parikh & Majmudar, Chartered Accountants,
303, "B" Wing, GCP Business Center,
Opp. Memnagar Fire Station, Nr. Vijay Cross Roads,
Ahmedabad – 380 009

SECRETARIAL AUDITORS

Kamlesh M. Shah & Co.
Practicing Company Secretaries
801-A, 8th Floor, Mahalaya Complex,
Opp. Hotel President, B/h. Fairdeal House,
Swastik Cross Roads, Off C.G.Road,
Navrangpura, Ahmedabad 380 009

REGISTRAR AND SHARE TRANSFER AGENTS

Bigshare Services Private Limited
(Unit: Shah Alloys Limited)
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093
Email id.: info@bigshareonline.com
Website : www.bigshare.com

BANKERS TO THE COMPANY

ICICI Bank
State Bank of India

CORPORATE IDENTIFICATION NUMBER

L27100GJ1990PLC014698

CONTENTS	PAGE
Notice	02
Directors' Report	16
Corporate Governance Report	34
Management Discussion & Analysis	49
Independent Auditors' Report	53
Standalone Balance Sheet	64
Standalone Statement of Profit & Loss	65
Standalone Cash Flow Statement	66
Standalone Notes forming part of Financial Statements	68
Consolidated Independent Auditors' Report	99
Consolidated Balance Sheet	106
Consolidated Statement of Profit & Loss	107
Consolidated Cash Flow Statement	108
Consolidated Notes forming part of Financial Statements	110

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that 33rd Annual General Meeting ("AGM") of the Members of **SHAH ALLOYS LIMITED** will be held on **Friday, 29th September, 2023 at 11:00 A.M. through Video Conferencing/Other Audio - Visual Means (VC/OAVM)** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company on Standalone and Consolidated basis for the financial year ended 31st March 2023, and the Reports of Board of Directors and the Auditors thereon.

"RESOLVED THAT the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members be and are hereby received, considered and adopted."

2. To appoint a Director in place of Shri Mrinal Sinha (DIN 09482143), who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Mrinal Sinha (DIN 09482143), who retires by rotation as a Director at this 33rd Annual General Meeting, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation".

SPECIAL BUSINESS:

3. To approve material related party contracts or arrangements to be entered by the Company in the Financial Year 2023-24 and ratification of the related party transactions entered by the Company during the Financial Year 2022-23 and in this regard, to consider and if thought fit, to pass, with or without modification(s), following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Regulation 23 (4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter as "Listing Regulations"], as amended from time to time, consent of the Members be and is hereby accorded for all material related party transactions, contracts or arrangements entered and to be entered into for the financial year 2023-24 between the Company and S.A.L. Steel Limited for purchase of power & materials, sale of material and services and also between Company and SAL Corporation Pvt. Ltd. (being the Company with significant influence) for sale of materials and services & purchase of material and services at a prevailing market price in the ordinary course of business.

RESOLVED FURTHER THAT consent of the Members be and is hereby accorded for ratification of related party transactions between the Company and related parties, entered into during the financial year 2022-23.

RESOLVED FURTHER THAT the Board of Directors (the "Board") and/or any Committee constituted by the Board be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things as may be deemed necessary, proper and desirable.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified, and confirmed in all respect."

4. Appointment of Shri Ambalal Chhitabhai Patel, (DIN: 00037870) as an Independent Director (Non-Executive) of the Company and to consider and if thought fit, to pass, with or without modification(s), following resolution as **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to provisions of Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulations 17(1A), 17(1C) and 25(2A) and any other applicable provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Ambalal Chhitabhai Patel, (DIN: 00037870) , who was appointed as Additional Director (in the capacity of Independent Director, Non-Executive) of the Company under Section 161 of the Act on 25th August, 2023, and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Independent Director of the Company, be and is hereby approved and appointed as an Independent Director (Non-Executive) of the Company, and further Members hereby approve and confirm his appointment for a period of 5 (five) consecutive years commencing from 25th August, 2023 up to 24th August, 2028, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

5. To ratify the remuneration of Cost Auditor’s for the financial year ended 31st March, 2024 and to consider and if thought fit, to pass, with or without modification(s), following resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ashish Bhavsar & Associates, Cost Accountants (ICAI Registration No. 22646) appointed by the Board on the recommendation of the Audit Committee of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024 be paid the remuneration of ₹ 1,10,000/- per annum plus out of pocket expenses, if any, incurred during the course of audit.”

By order of the Board of Directors
For **Shah Alloys Limited**

Sd/-

Mayank Chadha

Company Secretary & Compliance Officer
ACS: 54288

Date: 25th August, 2023

Place: Santej, Gujarat

Registered Office:

5/1 Shreeji House, B/h M.J. Library,
Ashram Road, Ahmedabad-380 006

CIN: L27100GJ1990PLC014698

NOTES

1. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020, General Circulation no. 02/2021 dated 13th January, 2021, General Circular No. 3/2022 dated 5th May, 2022 and vide its new General Circular No. 10/2022 dated 28th December, 2022; read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 (collectively referred to as “MCA Circulars”) and other Circular No. SEBI/HO/CFD/ CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI) read with circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13th May, 2022 and vide its new Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated 5th January, 2023 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue during the calendar year 2023. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 33rd AGM of the Company shall be convened and conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
2. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
3. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide the facility of remote e-voting to all members as per the applicable Regulations relating to e-voting. For this purpose, the Company has entered into arrangement with Central Depository Services (India) Limited (CDSL), for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. Pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Members (i.e. other than Individuals / HUF, NRI, etc.) can appoint their representatives to attend the AGM through VC/OAVM and vote through e-voting. They are requested to send the scanned copy (PDF/JPEG Format) of their Board or Governing Body Resolution/ Authorisation etc., authorising their representative to attend the AGM through VC/OAVM to the Scrutiniser by e-mail through its registered e-mail address to kshahcs@yahoo.co.in with a copy marked to helpdesk.evoting@cdsl.co.in & cs@shahalloys.com.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting, is annexed hereto.

6. Relevant documents referred to in the accompanying Notice and the Explanatory Statement will remain open and available for inspection by the members at the administrative office of the Company on all working days, except Saturdays and Sundays, during business hours up till the date of the Meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every member participating in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN to the Company or their Share Registrars and Transfer Agents.
8. Information pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard - 2 with respect to Directors seeking appointment / re-appointment at AGM is attached hereto. The said Directors have furnished necessary consent / declarations for their appointment / re-appointment.
9. As per Regulation 40 of the Listing Regulations, as amended, with effect from 25th January, 2022, securities of listed companies can be transacted only in dematerialized form for issuance of duplicate securities certificates, Claim from Unclaimed Suspense Account, Renewal/Exchange of Securities Certificate; Endorsement, Sub-division / splitting of Securities Certificate, Consolidation of Securities Certificates/Folios; Transfer; Transmission; Transposition etc. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, viz. Bigshare Services Private Limited (RTA), having its office at Office No S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093, Board No. : 022 6263 8200, Email id.: info@bigshareonline.com and quote their DP ID No. /Client ID No. or folio number in all their correspondence.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to RTA in case the shares are held in physical form.
11. Members who have not registered their email IDs so far with their depository participants, are requested to register their email IDs for receiving all the Communications including Annual Report, Notices etc. in electronic mode.
12. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository.
13. The businesses set out in the Notice of this AGM will be transacted through electronic voting system. Instructions and other information regarding e-voting are given hereinbelow. The Company / CDSL will also send communication relating to e-voting which inter alia will contain details about User ID and password along with a copy of this Notice to the Members of the Company, separately.
14. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
15. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website: www.shahalloys.com.
16. The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2023 is uploaded on the Company's website www.shahalloys.com and may be accessed by the members.
17. Electronic copy of the Annual Report for 2022-23 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a physical copy of the same.
18. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
19. Since AGM will be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this Notice.
20. Non-Resident Indian members are requested to inform RTA/respective DPs, immediately of (a) Change in their Residential Status on return to India for the purpose of permanent settlement, along with PAN details, (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank along with PIN Code number, if not provided earlier.

CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING THE ANNUAL GENERAL MEETING

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated 08th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 05th May, 2020 and Circular No. 02/2022 dated 05th May, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the 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 MCA Circulars dated 08th April, 2020, 13th April, 2020 and 05th May, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated 08th April, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.shahalloys.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 08th April, 2020 and MCA Circular No. 17/2020 dated 13th April, 2020 and MCA Circular No. 20/2020 dated 05th May, 2020 and Circular No. 02/2022 dated 05th May, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination MCA vide Circular No. 02/2022 dated 05th May, 2020 has allowed companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31st December, 2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated 13th January, 2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

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

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

1. The voting period begins on Tuesday, 26th September, 2023, 09:00 AM and ends on Thursday, 28th September, 2023, 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 22nd September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020 under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

4. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode with CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

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

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

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

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

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

5. Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders:
 - i. The shareholders should log on to the e-voting website www.evotingindia.com.
 - ii. Click on “Shareholders” module.
 - iii. Now enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- vi. If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

6. After entering these details appropriately, click on "SUBMIT" tab.
7. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
8. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
9. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
10. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
11. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
12. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
13. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
14. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
15. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
16. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
17. **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
 - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kshahcs@yahoo.co.in and cs@shahalloys.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / Tablets for better experience.
- Further shareholders 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.
- Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before Tuesday, 19th September, 2023 mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries on or before Tuesday, 19th September, 2023 mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

- For Physical Shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id cs@shahalloys.com and sandeep@bigshareonline.com.
- For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
- For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

GENERAL INSTRUCTIONS FOR VOTING:

- Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072, Address: 801-A, Mahalaya Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-Voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, submit to the Chairman of the Company.
- Results declared by the Chairman along with the Scrutinizer's Report shall be placed on the Company's website <http://www.shahalloys.com> and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company. The results shall be communicated to the NSE and BSE Limited and will also be uploaded on website of Stock Exchanges.
- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2023, may obtain the login ID and password by sending a request at www.evotingindia.com.

Note: For detailed instructions for e-voting, please visit website of CDSL.

By order of the Board of Directors
For **Shah Alloys Limited**

Sd/-

Mayank Chadha

Company Secretary & Compliance Officer
ACS: 54288

Date: 25th August, 2023

Place: Santej, Gujarat

Registered Office:

5/1 Shreeji House, B/h M.J. Library,
Ashram Road, Ahmedabad-380 006

CIN: L27100GJ1990PLC014698

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND THE RULES FRAMED THEREUNDER

Item no. 3

The provisions of the Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective 01st April, 2022, mandates prior approval of shareholders of a listed entity by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from 01st April, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹ 1,000 Crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

During the Financial Year 2023-24, the Company, propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company / its subsidiaries and on an arm's length basis. The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company. Your Board of Directors considered the same and recommends passing of the resolutions contained in Item No. 3 of this Notice

Transaction between Shah Alloys Limited and SAL Steel Limited:

Sr. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of the Related Parties: Shah Alloys Limited (SAL) and SAL Steel Limited (SSL) Relationship: SAL & SSL are the Associate Companies. SAL holds 35.61% of paid-up equity share capital of SSL
2	Name of Director(s) or Key Managerial Personnel who is related, if any	Shri Rajendra V. Shah, Non- Executive, Non-Independent Chairman
3	Type, tenure, material terms and particulars	Company promoted SAL Steel Ltd. in the year 2003. The project of SAL Steel is backward integration project since finished product of SSL is raw material for the Company. Further, SAL Steel Ltd. has installed group captive power plant of 40 MW and as such SAL Steel Ltd. has permission of wheeling of power to the Company. On account of above, Shah Alloys is purchasing: i. finished product of SSL; and ii. power generated by group captive power plant. Further, the SAL sells its finished products to SSL for its internal usage. The Sale and Purchase transactions are carried at arm's length prices and in ordinary course of business. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions during the financial years 2023-24.
4	Value of the transaction	The monetary value of the transaction for FY 2023-24 is expected to be: • Purchase of Power & Material from SSL to SAL : ₹ 500 Cr. • Sale of Material and Services from SAL to SSL : ₹ 200 Cr.
5	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	The estimated transaction value for Purchase of Power and Material by SAL from SSL for FY 2023-24 represents 56.42% of Annual Turnover of SAL for FY 2022-23. The estimated transaction value for Sale of Material and Services from SAL to SSL for FY 2023-24 represents 22.57% of Annual Turnover of SAL for FY 2022-23.
6	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
7	Justification as to why the RPT is in the interest of the listed entity	Company promoted SSL in the year 2003. The project of SSL is backward integration project since finished product of SSL is raw material for the Company and SSL has installed group captive power plant of 40 MW and as such SSL has permission of wheeling of power to the Company. On account of above, SAL is purchasing finished product of SSL and power generated by group captive power plant. This allows SSL to leverage scale benefits and synergies, whereas the Company benefit from regular supply of power and raw material for production, both of which are important for a steel industry, while focusing on their respective business priorities.
8	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
9	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

Shri Rajendra V. Shah, Non-Executive, Non-Independent Chairman of the Company who is also Non- Executive Non-Independent Chairman on the board of SSL. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Transaction between Shah Alloys Limited and SAL Corporation Private Limited

Sr. No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of the Related Parties: Shah Alloys Limited (SAL) and SAL Corporation Private Limited (SCPL) Relationship: SCPL is an enterprise with significant influence
2	Name of Director(s) or Key Managerial Personnel who is related, if any	Shri Rajendra V. Shah, Non- Executive, Non-Independent Chairman
3	Type, tenure, material terms and particulars	SCPL is promoted by Shri Rajendra V Shah. He is also the promoter of SAL. Therefore, SCPL is a Company with significant influence. Further, the SAL sells its finished products to SCPL for its internal usage & purchase raw materials from SAL. The Sale and Purchase transactions are carried at arm's length prices and in ordinary course of business. The above arrangements are continuing business transactions. Approval of the shareholders is being sought for transactions during the financial years 2023-24.
4	Value of the transaction	The monetary value of the transaction for FY 2023-24 is expected to be: <ul style="list-style-type: none"> Sale of Material and Services from SAL to SCPL : ₹ 200 Cr. Purchase of Material and Services from SCPL to SAL: ₹ 100 Cr.
5	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	The estimated transaction value for Sale of Material and Services from SAL to SCPL for FY 2023-24 represents 22.57% of Annual Turnover of SAL for FY 2022-23. The estimated transaction value for Purchase of Material and Services from SCPL to SAL for FY 2023-24 represents 11.28% of Annual Turnover of SAL for FY 2022-23.
6	Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
7	Justification as to why the RPT is in the interest of the listed entity	Shri Rajendra V. Shah promoted SCPL in the year 2011. Since, the Company was referred to BIFR and hence the Letter of Credit (LC) facilities are not available to SAL, therefore the sale of material against LC is done through SCPL. This allows SAL to benefit from regular sale of material, while focusing on their respective business priorities.
8	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
9	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

Shri Rajendra V. Shah, Non-Executive, Non-Independent Chairman of the Company is having indirect interest in SCPL. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Ratification of Related Party Transactions during Financial Year 2022-23

Shareholders are requested to ratify the Related Party Transactions entered into by the Company during the financial year 2022-23 as below and as approved by the members in the Annual General Meeting held on 23rd September, 2022:

Name of Related Party	Relation with Company	Transaction	Limits approved by members for 2022-23 (₹ in Crores)	Total transactions during 2022-23 (₹ in Crores)
SAL Steel Limited	Associate Company	Purchase of Power & Material	500	230.93
		Sale of Material and Services	200	2.78
S.A.L. Corporation Pvt. Ltd.	Company with significant influence	Sale of Material and Services	200	0

Item No. 4:

The Company pursuant to the requirement of Regulations 17 and 25(6) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 Board of Directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. As per Regulation 25(6) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 an independent director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than three months from the date of such vacancy. The Board, based on the recommendations of the Nomination and Remuneration Committee, has appointed Shri Ambalal Chhitabhai Patel, (DIN: 00037870), as an Additional Director (Independent Director, Non-Executive) by way of board resolution on 25th August, 2023. As per the requirement of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval is sought from the Members in this 33rd Annual General Meeting of the Company by way of Special Resolution to approve the appointment of Shri Ambalal Chhitabhai Patel, (DIN: 00037870), being 79 years, as Independent Director (Non-Executive) of the Company.

The Nomination and Remuneration Committee and the Board of Directors have considered Shri Ambalal Chhitabhai Patel, (DIN: 00037870), diverse skills, leadership capabilities, accounting and financial expertise, general management and Industry knowledge. The Board of Directors in the Board Meeting dated 25th August, 2023, based on the recommendation of the Nomination and Remuneration Committee, considering the experience and knowledge, recommend name of Shri Ambalal Chhitabhai Patel, (DIN: 00037870), aged 79 years, who fulfils the conditions specified under the Act and Listing Regulations as an Independent Director (Non-Executive) of the Company and is independent of the management. Shri Ambalal Chhitabhai Patel is in good health and of sound mind. The Board is also confident of his being able to function and discharge his duties in an able and competent manner. Further, considering his background and experience, the Board is of the opinion that his association will be an immense benefit to the Company and it is desirable to avail his services as an Independent Director of the Company.

The Board of Directors has received notice from Member proposing candidature of Shri Ambalal Chhitabhai Patel, (DIN: 00037870), for the office of Independent Director of the Company as per requirement of Section 160(1) of the Companies Act, 2013 and his name is recommended to the Board by the members of the Nomination and Remuneration Committee. In the opinion of the Board Shri Ambalal Chhitabhai Patel, (DIN: 00037870), fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder and applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for their appointment as an Independent Director (Non-Executive) of the Company, and approved and confirmed his appointment for a period of 5 (five) consecutive years commencing from 25th August, 2023 till 24th August, 2028, not liable to retire by rotation, subject to the approval of Members at the ensuing 33rd Annual General Meeting of the Company by way of Special Resolution as an Independent Director (Non-Executive) of the Company and is independent of the Management. The Company has received declaration from Shri Ambalal Chhitabhai Patel, (DIN: 00037870) to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulations 16(1)(b) of the Listing Regulations. As required under Regulation 25(8) of Listing Regulations, Shri Ambalal Chhitabhai Patel, (DIN: 00037870) has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgement and without any external influence. A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of their appointment is available for inspection without any fees by the Members at the Corporate Office of the Company during normal business hours on any working day, excluding Saturdays and Sundays and is also available on the website of the Company at www.shahalloys.com.

Pursuant to the provisions of Sections 149, 152 and other applicable provisions read with Schedule IV 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its Board Meeting dated 25th August, 2023, recommend the Members to appoint (pursuant to notice of member for appointment of Independent Director), Shri Ambalal Chhitabhai Patel, (DIN: 00037870) as an Independent Director (Non-Executive) of the Company and to approve and confirm his appointment for a period of 5 (five) consecutive years commencing from 25th August, 2023 till 24th August, 2028, not liable to retire by rotation by way of Special Resolution at the ensuing 33rd Annual General Meeting of the Company.

Shri Ambalal Chhitabhai Patel, (DIN: 00037870) does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Brief profile of Shri Ambalal Chhitabhai Patel, (DIN: 00037870) together with other details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is forming part of this Notice.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and in terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Shri Ambalal Chhitabhai Patel, (DIN: 00037870) aged 79 years, as Independent Director (Non-Executive) is now being placed before the Members in Annual General Meeting for their approval by way of a Special Resolution.

Accordingly, the Board of Directors recommends the resolution for approval of the members as a Special Resolution.

Except Shri Ambalal Chhitabhai Patel, (DIN: 00037870), Independent Director for his appointment, no other Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 4 of the Notice for the approval of the Members.

Item No. 5:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Ashish Bhavsar & Associates, Cost Accountants to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024 at the remuneration of ₹ 1,10,000/- per annum plus out of pocket expenses, if any, incurred during the course of audit. In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at item No. 5 of the Notice.

By order of the Board of Directors
For **Shah Alloys Limited**

Date: 25th August, 2023

Place: Santej, Gujarat

Registered Office:

5/1 Shreeji House, B/h M.J. Library,
Ashram Road, Ahmedabad-380 006
CIN: L27100GJ1990PLC014698

Sd/-
Mayank Chadha
Company Secretary & Compliance Officer
ACS: 54288

**DETAILS OF THE DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT IN THE
33RD ANNUAL GENERAL MEETING OF THE COMPANY**

[Pursuant to regulation 36 (3) of the SEBI Listing Obligations & Disclosure Requirements, Regulations, 2015
and Secretarial Standard on General Meeting (SS-2)]

Name of Director	Shri Mrinal Sinha	Shri Ambalal Chhitabhai Patel
DIN	09482143	00037870
Designation	Whole-time Director	Independent Director
Date of Birth	25.05.1969	01.04.1944
Age (in Years)	54	79
Original Date of Appointment	01.03.2022	25.08.2023
Nature of Expertise in specific functional areas	More than 31 years' experience in Sales & Marketing and Operations Management. He is an expertise in analyzing upcoming business trends and launching business plans for new markets.	Shri Ambalal Chhitabhai Patel is a graduate in B.E (Metallurgy), B. Sc. and has more than 48 years of career experience and has been associated with various Govt. and PSU's Bodies like GMDC, GIIC etc. on various senior technical posts having experience of Finance & Project Management.
Qualification	Post Graduated Diploma in Business Administration, Exec. Diploma in Marketing & Graduation in BE (Mechanical)	Bachelor's Degree in Metallurgical Engineering, Bachelor of Science (Chemistry)
No. of Equity Shares held in the Company	Nil	Nil
Name of listed entities in which person holds Directorship and the list of committees of Board of Directors (across all Companies) in which Chairmanship/ Membership is held	None	<ol style="list-style-type: none"> 1. Jindal Hotels Limited 2. Ajmera Realty & Infra India Limited 3. S A L Steel Limited 4. Sumeru Industries Limited 5. Shree Precoated Steels Limited 6. Shree Rama Newsprint Limited
Listed entities from which the person has resigned in the past three years	None	<ol style="list-style-type: none"> 1. CIL Nova Petrochemicals Limited 2. Nandan Denim Limited
Listed entities from which the person has resigned from Chairmanship & Membership in the past three years	None	<ol style="list-style-type: none"> 1. CIL Nova Petrochemicals Limited 2. Nandan Denim Limited
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
Justification for appointment and skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Shri Ambalal Chhitabhai Patel, (DIN: 00037870), aged 79 years, who fulfils the conditions specified under the Act and Listing Regulations as an Independent Director (Non-Executive) of the Company and is independent of the management. Shri Ambalal Chhitabhai Patel is in good health and of sound mind. The Board is also confident of his being able to function and discharge his duties in an able and competent manner. Further, considering his background and experience, the Board is of the opinion that his association will be an immense benefit to the Company and it is desirable to avail his services as an Independent Director of the Company.

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 33rd Annual Report of your company on the operations and performance along with the Audited Standalone and Consolidated Financial Statements and Auditor's Report thereon for the financial year ended on 31st March, 2023.

FINANCIAL HIGHLIGHTS

The financial performance of your Company for the financial year ended 31st March, 2023 is summarized below:

₹ in Crores

Particulars	STANDALONE		CONSOLIDATED	
	31 st March, 2023	31 st March, 2022	31 st March, 2023	31 st March, 2022
Total Revenues	639.10	906.90	627.94	886.15
Less: Total Expenditure	624.80	765.49	623.55	765.50
Profit / (Loss) before interest, depreciation, extraordinary item and tax	14.30	141.41	4.39	120.65
Less: Depreciation and Interest	8.95	11.29	8.95	11.29
Profit / (Loss) after depreciation and Interest but before extraordinary item and Tax.	5.35	130.12	(4.56)	109.36
Less: Extraordinary item	-	-	-	-
Profit after Extraordinary item but before tax	5.35	130.12	(4.56)	109.36
Less: Tax Expense / Deferred tax	(1.34)	27.25	(1.35)	27.25
Net Profit available for Appropriation	6.69	102.86	(3.21)	82.11
Balance to be carried forward	6.69	102.86	(3.21)	82.11

STATE OF COMPANY'S AFFAIRS / PERFORMANCE OVERVIEW

During the year under review Total revenue from Operations and from other operating income decreased from ₹ 906.90 crores in the previous year to ₹ 639.10 crores. Company has registered a profit of ₹ 6.69 crores in comparison to the profit of ₹ 102.83 crores during previous year.

During the year under review, the Company has made full & final payments to ARC'S as per the terms of settlement agreements with banks & financial institutions.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION AND CHANGE IN BUSINESS

There have been no material change(s) and commitment(s), except elsewhere stated in this report, affecting the financial position of the Company between the end of the financial year of the Company i.e., 31st March, 2023, and the date of this Report. There has been no change in the nature of business of the Company during the financial year ended on 31st March, 2023.

DIVIDEND

Your Board has not recommended any dividend for the financial year ended 31st March, 2023 in order to fund company's projects and assignments in its development, expansion and implementation stages & conservation of funds.

BUSINESS ACTIVITY

The company is engaged in manufacturing of wide range of Stainless Steel, alloy & Special steel, Carbon/Mild Steel and Armour Steel in Flat and Long products. There has been no change in the nature of business of the Company.

CHANGES IN AUTHORISED SHARE CAPITAL:

During the financial year 2022-23 there was no change in the Authorised Share Capital of your Company.

CHANGES IN PAID-UP SHARE CAPITAL:

During the financial year 2022-23 there was no change in the Paid-up Share Capital of your Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The company is not having holding or subsidiary company during the year and no other company has become holding / subsidiary/ joint venture. However, it has one associate company, details are as under:

Sr. No.	Name of the Company	CIN/GLN	Concern	% of shares held by Company	Applicable Section of the Companies Act, 2013
1.	S.A.L. Steel Limited	L29199GJ2003PLC043148	Associate	35.61%	2(6)

The Consolidated Financial Statements of the Company and its Associate, viz., SAL Steel Limited, has been prepared in accordance with the relevant Ind AS of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors and form part of the Annual Report and are reflected in the Consolidated Accounts.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's associate in Form AOC-1 is attached to this report as **Annexure - 1**.

DEPOSITS

The Company has not accepted/received any deposits during the year under report, falling within the ambit of Section 73 of the Companies Act, 2013 (the act) and the Companies (Acceptance of Deposits) Rules, 2014 and no outstanding against the same was pending at the end of financial year 2022-23.

DETAILS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

During the year under review the Company has not made any inter corporate loans, investments, given any corporate guarantee to any other body corporate, subsidiary, associate or any other company.

LISTING OF SHARES

The equity shares of the Company are listed on the National Stock Exchange of India Ltd. (NSE) and BSE Limited (BSE). The listing fee for the year 2023-24 has already been paid to the credit of both the Stock Exchanges.

DETAILS OF DIRECTORS OR KMPS APPOINTMENT OR RESIGNATION

The Board of Directors consists of 8 members, of which 4 are Independent Directors including one Women Independent Director.

Directors:

During the financial year 2022-23, there were no changes in the composition of Board. However, post 31st March, 2023 and before the date of signing of this report, Shri G.M. Shaikh (DIN: 00367186), Independent Director resigned w.e.f. close of business hours on 25th August, 2023 due to personal reasons. To fill the casual vacancy, the Board of Directors based on the approval and recommendation of members of Nomination and Remuneration Committee has appointed Shri Ambalal Chhitabhai Patel, (DIN: 00037870) as Additional Director (Independent Director, Non-Executive) w.e.f. 25th August, 2023. The Board of Directors in the Board Meeting dated 25th August, 2023, have considered Shri Ambalal Chhitabhai Patel, (DIN: 00037870), diverse skills, leadership capabilities, accounting and financial expertise, general management and Industry knowledge. Shri Ambalal Chhitabhai Patel has done Bachelor's Degree in Metallurgical Engineering, Bachelor of Science (Chemistry) and on the recommendation of the Nomination and Remuneration Committee, proposes the name of Shri Ambalal Chhitabhai Patel, (DIN: 00037870), to the Members to appoint as an Independent Director (Non-Executive) of the Company by way of Special Resolution at the ensuing 33rd Annual General Meeting of the Company for the period of 5 (five) consecutive years commencing from 25th August, 2023 up to 24th August, 2028. The Independent Director shall not be liable to retire by rotation.

Key Managerial Person:

During the year under review there was no change with respect to appointment or resignation of Key Managerial Persons. However, post 31st March, 2023, Shri Vinay Kumar Mishra (M. No. F 11464), has resigned w.e.f. 20th April, 2023 from the post of Company Secretary & Compliance Officer (Key Managerial Person) and Shri Mayank Chadha (M. No. A 54288), has appointed w.e.f. 29th May, 2023 on the position of Company Secretary & Compliance Officer (Key Managerial Person) of the Company in terms of Section 203 of Companies Act, 2013 and Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MEETINGS OF THE BOARD AND COMMITTEES

The Board met 5 (Five) times during the financial year were held on the following dates 28th May, 2022, 28th June, 2022, 09th August, 2022, 11th November, 2022 & 06th February, 2023. The details of meetings of the Board and various Committees of the Board of your Company are given in the Corporate Governance Report annexed herewith and forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from each of the Independent Directors that they, respectively, meet the criteria of independence prescribed under Section 149 read with Schedule IV of the Act and rules made thereunder, as well as Regulations 16 and 25(8) of the Listing Regulations. Based on the declarations received, the Board considered the independence of each of the Independent Directors in terms of above provisions and is of the view that they fulfil the criteria of independence and are independent from the management.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. The Board of Directors of your Company confirms that the Independent Directors have given their confirmation / declaration to your Company, that in terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs and will undergo the online proficiency self-assessment test within the specified timeline, unless exempted under the aforesaid Rules.

BOARD DIVERSITY

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background. The Company follows diverse Board structure.

BOARD EVALUATION

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the formal annual evaluation was carried out for the Board's own performance, its committee & Individual Directors. The manner and detail in which evaluation was carried out is stated in the Corporate Governance Report which is annexed and forms a part of this report.

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements and such internal financial controls are operating effectively. Your Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

The details in respect of internal financial control and their adequacy are included in Management Discussion and Analysis Report, which forms part of this report.

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

The particulars related to conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure – 2** to this Report.

RISK MANAGEMENT

The Company has in place a robust risk management framework which identifies and evaluates business risks and opportunities. The Company recognises that the applicable risks need to be managed and mitigated to protect the interest of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The Audit committee ensures that the Company is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities. The Committee reviews strategic decisions of the Company and on regular basis, reviews the Company's portfolio of risks and considers it against the Company's Risk Appetite. The Committee also recommends changes to the Risk Management Technique and / or associated frameworks, processes and practices of the Company.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Company had implemented a vigil mechanism, where by employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance of code of conduct to the Company. The policy safeguards the whistleblowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the year under review none of the personnel has been denied access to the Chairman of Audit Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

In Compliance with Section 134(3) (c) and Section 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and hereby confirm the following:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2023, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) the Directors had 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 profit and loss account of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- 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.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 is available on the Company's website at www.shahalloys.com.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE {DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013}

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, a committee has been established at the offices for this purpose. There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

PARTICULARS OF THE EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure - 3**. Further, particulars of employees remuneration, as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not applicable since there was no employee of the Company including Executive Directors who was in receipt of remuneration in excess of the limits set out in the said rules.

RELATED PARTY TRANSACTIONS

All contracts/ arrangements/ transactions entered by your Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis and is in compliance with the applicable provisions of the Act and the Listing Regulations.

All related party transactions are placed before the Audit Committee and before the Board for their approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and to the Board of Directors at their Board Meetings for their approval on a quarterly basis.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of

the Companies (Accounts) Rules, 2014. The details of transactions with related parties as required are provided in Form AOC-2 annexed as **Annexure - 4**. The policy on Materiality on Related Party Transactions and manner of dealing with Related Party Transactions as approved by the Board is uploaded on your Company's website www.shahalloys.com.

None of the Independent Directors has any pecuniary relationships or transactions vis-a-vis your Company.

A statement of related party transactions pursuant to Indian Accounting Standard (Ind AS) - 24 forms a part of notes to accounts.

DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). The Company has prepared these financial statements to comply in all material respects with the Ind AS, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014.

CORPORATE SOCIAL RESPONSIBILITY

As per the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, the amount required to be spent on CSR activities during the year under review, is ₹ 1,27,58,687/- and the Company has spent ₹ 1,27,60,000/- during the Financial Year ended 31st March, 2023. The requisite details of CSR activities carried by the Company pursuant to Section 135 of the Companies Act, 2013 is annexed as **Annexure - 5**. The composition and other details of the CSR Committee is included in the Corporate Governance Report which form part of the Board's Report. The Board in its meeting held on 29th May, 2023, revised the existing CSR Policy of the company to harmonise with the amended carried out by the Ministry of Corporate Affairs in the Companies (CSR Policy Rules), 2014.

AUDITORS AND AUDIT REPORTS

a) Statutory Auditors

Members at its 32nd Annual General Meeting held on 23rd September, 2022 approved the re-appointment of M/s. Parikh & Majmudar, Chartered Accountants, as statutory auditors for a terms of five years as per provisions of the Companies Act, 2013.

Statutory Auditors' Report

The observations of Statutory Auditor in its reports on standalone and consolidated financials are self-explanatory and therefore do not call for any further comments.

Details in respect of frauds reported by auditors

There were no instances of fraud reported by the auditors.

b) Cost Auditors

In terms of sub-section (1) of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain the cost records. Accordingly, such accounts and records have been maintained by the Company. M/s. Ashish Bhavsar & Associates, Cost Accountants (Firm Regn. No. 000387), were appointed as the Cost Auditors of the Company for auditing the cost records of the Company for the financial year 2023-24, subject to ratification of their remuneration by the Shareholders of the Company in the 33rd AGM of the Company. Accordingly, an appropriate resolution seeking ratification of the remuneration for the financial year 2023-24 of M/s. Ashish Bhavsar & Associates, Cost Auditors, is included in the Notice convening the 33rd AGM of the Company.

Disclosure on maintenance of Cost Records.

The Company made and maintained the Cost Records under Section 148 of the Companies Act, 2013 (18 of 2013) for the Financial Year 2022-23.

c) Internal Auditor

The Company has appointed an Independent firm of Chartered Accountants to act as an Internal Auditor as per suggestion of auditors and recommendation of the Audit Committee in order to strengthen the internal control system for the Company.

d) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors has appointed M/s Kamlesh Shah & Co., Practicing Company Secretaries, as Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2023-24.

Secretarial Audit Report

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **Annexure - 6**. There are no qualifications, reservations or adverse remarks made by Secretarial Auditors in their Report.

Annual Secretarial Compliance Report

A Secretarial Compliance Report for the financial year ended 31st March, 2023 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s Kamlesh Shah & Co., Practicing Company Secretaries, Secretarial Auditor.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

A certificate of Non-Disqualification of Directors for the Financial Year 2022-23, pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by Practicing Company Secretary is annexed to this report as **Annexure - 7**.

CORPORATE GOVERNANCE REPORT

The Company is committed to observe good corporate governance practices. The report on Corporate Governance for the financial year ended 31st March, 2023, as per regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. The requisite Certificate from the Practicing Company Secretary of the Company confirming compliance with the conditions of Corporate Governance is annexed to this Report as **Annexure - 8**.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

A certificate of Non-Disqualification of Directors for the Financial Year 2022-23, pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 issued by Practicing Company Secretary is annexed to this report as **Annexure - 9**.

BOARD'S RESPONSE ON THE REMARKS MADE BY STATUTORY AUDITORS

The Directors submit their explanations to various observations made by the Auditors in their report for the year 2022-23. Para nos. of Auditors' Report and reply are as under:

Para 1 of Standalone and Consolidated Independent Auditor's Report

On account of non-payment of principle and interest to the Banks, debts were declared NPA by the Banks. Since Company has entered into onetime settlement with banks and financial institutions (FI) and actively negotiating to settle the dues amicably with the remaining Banks and FI, hence it did not provide for interest.

Para 2 of Standalone and Consolidated Independent Auditor's Report

It is expected that the impact of "Effective Interest Method" to the Finance Cost as per the Requirements of IND AS 109 on the financial Results will not be material enough and hence, the Management has not given effect of the same in the consolidated financial results.

Annexure A to Standalone Independent Auditors' Report - Para viii

The disputed matter is subjudiced & pending with the authorities.

Para 3 of Consolidated Independent Auditor's Report

It is expected that the loss of allowance if any as per Expected credit loss Method on the financial assets will not be material enough and hence, the Management has not given effect of the same in the consolidated financial results.

Any outstanding shown in the audited financial statement/audit report is not the confirmation of debt.

DISCLOSURE UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

The application was filed by one of the applicants against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016), but the company has disputed the veracity of the application filed by the applicant as Financial Creditor of the Company and the applicant has also failed to produce sufficient proof in respect of its claim.

The Company has filed an application under Section 65 of Insolvency and Bankruptcy Code, 2016 against the application filed by the said applicant for investigation.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material order(s) were passed by the regulators/ courts which would impact the going concern status of the Company and its future operations during the year under review.

ANNUAL RETURN

In accordance with the provisions of Sections 92 and 134(3)(a) of the Act read with the Companies (Management and Administration) Rules, 2014, the Annual Return in e-form MGT-7 for the financial year ended 31st March, 2023 has been uploaded on the website of the Company at www.shahalloys.com.

GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- There has been no change in the nature of business of the Company.
- There was no instance of onetime settlement with any Bank or Financial Institution during the Financial Year 2022-23.

APPRECIATION

Your Directors place on record its appreciation for the support and co-operation your Company has been receiving from its investors, customers, vendors, bankers, financial institutions, business associates, Central & State Government authorities, Regulatory authorities and Stock Exchanges. Your Board looks forward for the long-term future with confidence, optimism and full of opportunities.

CAUTIONARY STATEMENT

Statement in the Board's Report and the Management Discussion and Analysis describing your Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling price of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations

By order of the Board of Directors
For **Shah Alloys Limited**

Sd/-

Rajendra V. Shah
Chairman
(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

Registered Office:

5/1 Shreeji House, B/h M.J. Library,
Ashram Road, Ahmedabad-380 006

CIN: L27100GJ1990PLC014698

ANNEXURE - 1

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹ Crores)

Company does not have subsidiary company; therefore Part A is not applicable

PART "B": ASSOCIATES AND JOINT VENTURES

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

Name of associates/Joint Ventures	S.A.L. Steel Limited
1. Latest audited Balance Sheet Date	31 st March, 2023
2. Shares of Associate/Joint Ventures held by the company on the year end	
a) No. of Shares	30256989
b) Amount of Investment in Associates/Joint Venture (₹ in Cr.)	41.27
c) Extent of Holding %	35.61
3. Description of how there is significant influence	Based on Shareholding
4. Reason why the associate/joint venture is not consolidated	Not Applicable
5. Net worth attributable to shareholding as per latest audited Balance Sheet (₹ in Cr.)	64.83
6. Profit/Loss for the year	
i. Considered in Consolidation (₹ in Cr.)	(2.58)
ii. Not Considered in Consolidation (₹ in Cr.)	7.33

- Names of associates or joint ventures which are yet to commence operations - None
- Names of associates or joint ventures which have been liquidated or sold during the year - None

For and on behalf of the Board

Sd/-

Rajendra V. Shah

Chairman

(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

ANNEXURE - 2

Conservation of energy, technology absorption and foreign exchange earnings and outgo (Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2023)

A. CONSERVATION OF ENERGY

(a) Energy conservation measures taken:-

Your company gives priority to Energy conservation. It regularly reviews measures to be taken for Energy Conservation/ Consumption and its effective utilization.

(b) Total energy consumption and energy consumption per unit of production:

Particulars of Product		2022-23	2021-22
(I)	POWER & FUEL CONSUMPTION		
1	ELECTRICITY		
(a)	Purchased		
	Unit (Kwh)	9,56,39,102	15,01,49,291
	Total Amount (₹)	80,21,55,407	72,96,95,659
	Rate / Unit (Rs)	8.39	4.86
(b)	Own Generation		
(i)	Through Diesel Generator Unit (Kwh)		
	Unit Per Ltr of Diesel Oil	Nil	Nil
	Cost / Unit (Rs)	Nil	Nil
(ii)	Through Steam Turbine / Generator Unit (Kwh)	Nil	Nil
	Unit Per Kg of Lignite	Nil	Nil
	Cost Lignite / Unit (Rs)	Nil	Nil
	Cost Coal / Unit (Rs)	Nil	Nil
	Cost Coal & Lignite / Unit (Rs)	Nil	Nil
2	COAL (Including Coal Fines)	Nil	Nil
	Quantity (MT)	Nil	Nil
	Total Cost (Rs)	Nil	Nil
	Average Rate (Rs)	Nil	Nil
3	FURNACE OIL		
	(used in the generation of power)		
	Quantity (K Ltr)	Nil	Nil
	Total Cost (Rs)	Nil	Nil
	Average Rate (Rs)	Nil	Nil
4	OTHERS – LIGNITE		
	(used in the generation of steam)		
	Quantity (K Tonns)	Nil	Nil
	Total Cost (Rs)	Nil	Nil
	Average Rate (Rs)	Nil	Nil
(II)	CONSUMPTION PER M.T. OF PRODUCTION		
	Electricity (in Unit)	1128	1114
	Furnace Oil	Nil	Nil
	Coal (Specify quantity)	Nil	Nil
	Others	Nil	Nil

B. TECHNOLOGY ABSORPTION

(I) Research and Development (R & D)

(₹ in lacs)

Particulars	2022-23	2021-22
1. Specific areas in which R&D carried out by the company.	Nil	Nil
2. Benefits derived as a result of the above R&D	Nil	Nil
3. Future plan of action:	Nil	Nil
a. Capital		
b. Recurring		
c. Total		
d. Total R&D expenditure as a percentage of total turnover		

(III) Technology absorption, adaptation:

(₹ in lacs)

Particulars	2022-23	2021-22
Company has not carried out research, development & innovation activities.		
1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil	Nil
	Nil	Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	Nil	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:		
a. Technology imported		
b. Year of import		
c. Has technology has been fully absorbed		
d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.		

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lacs)

Particulars	2022-23	2021-22
1) EARNINGS & OUTGO		
a. Foreign Exchange earnings	0.60	12.01
b. Foreign Exchange outgo	33.02	8.70
2) TOTAL FOREIGN EXCHANGE USED AND EARNED		
As per notes on account		

For and on behalf of the Board

Sd/-

Rajendra V. Shah

Chairman

(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

ANNEXURE - 3

A. DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Relevant Clause under Rule 5(1)	Prescribed Requirements	Particulars
(i)	Ratio of the remuneration (excluding Commission) of each director to the median remuneration of the employees of the Company for the financial year	i. Shri Ashok Sharma (Whole Time Director & CFO) – 10.43:1 ii. Shri Mrinal Sinha (Whole Time Director) – 14.66:1 iii. Shri Prakash Patel (Whole Time Director) – 9.09:1
(ii)	Percentage increase in remuneration (excluding Commission) of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	i. Shri Ashok Sharma (Whole Time Director & CFO) – 55% ii. Shri Mrinal Sinha (Whole Time Director) – 7.02% iii. Shri Prakash Patel (Whole Time Director) – 7.04% iv. Shri Vinay Mishra (Company Secretary) -66.95 %
(iii)	Percentage decrease in the median remuneration of employees in the financial year	16.00%
(iv)	Number of permanent employees on the rolls of company	682
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel - 41.72 Average decrease in remuneration of employees other than the Managerial Personnel - 16.00
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013

B. STATEMENT SHOWING PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Since the remuneration paid to any of the employees does not exceeds the limits specified under the provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Rules, therefore disclosure requirements regarding the details of employee remuneration are not applicable to the Company.

For and on behalf of the Board

Sd/-

Rajendra V. Shah
Chairman
(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

ANNEXURE - 4

FORM NO. AOC -2

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

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

1	Details of contracts or arrangements or transactions not at Arm's length basis.							
	Name (s) of the related party	Nature of transaction	Duration of the transaction	Salient terms of the transaction	Justification for transactions'	Date of approval by the Board	Amount paid as advances	Date of special resolution
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party	Nature of relationship	Nature of transaction	Duration of the transaction	Transactions value (in ₹)	Date of approval by the Board	Amount paid as advances
	S.A.L. Steel Ltd.	Associate	Purchase of Power	April 2022-March, 2023	23,90,43,001	These RPTs are in the ordinary course of business and are at arms' length basis and are approved the Audit Committee and the Board in their meeting held on May 28, 2022 these are reported to the Audit Committee / Board at their quarterly meetings.	N.A.
			Purchase of material		2,07,02,85,013		
			Sale of material & Services		2,78,33,020		
			Sale of material & Services		Nil		
	S.A.L. Corporation Pvt. Ltd.	Company with significant influence	Sale of material & Services		Nil		

For and on behalf of the Board

Sd/-

Rajendra V. Shah

Chairman

(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

ANNEXURE - 5

ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

1. Brief outline on CSR Policy of the Company:

The policy on Corporate Social Responsibility (CSR) is adopted by your Company to align its philosophy to initiate measures and pursue socially useful programs with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made thereunder. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society. Your Company's Corporate Social Responsibility Policy (CSR Policy) provides for carrying out CSR activities in the various area covered under Schedule VII of the Act, such as (a) 'Promoting Healthcare including Preventive Healthcare', which is falling under item (i) of Schedule VII of the Act; (b) 'Promoting Educational Activity including better infrastructure and amenities for the students' which is falling under item (ii) of Schedule VII of the Act.

Company's vision on CSR is to enhance the quality of life and the economic wellbeing of communities around our operations.

2. Composition of CSR Committee:

Name of Director	Designation in Committee	No. of Meetings	Meetings attended
Shri Ashok Sharma	Chairman	1	1
Shri R. V. Shah	Member	1	1
Shri G. M. Shaikh	Member	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of CSR Committee - <http://www.shahalloys.com/committees-of-the-board-of-directors.htm>

CSR Policy - www.shahalloys.com/images/inner/pdf/Policies/7%20CSR%20POLICY.pdf

CSR projects approved by the Board - www.shahalloys.com

4. Provide the details of Impact assessment of CSR Projects carried out in pursuance of Sub-Rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach report): NOT APPLICABLE

5.	a	Average net profit of the company as per section 135(5)	₹ 63,79,34,350/-
	b	Two percent of average net profit of the company as per section 135(5)	₹ 1,27,58,687/-
	c	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	d	Amount required to be set off for the financial year, if any	₹ 29,000/-
	e	Total CSR obligation for the financial year (5b + 5c - 5d)	₹ 1,27,29,687/-

6. (a) Amount Spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

(i) Ongoing Project : NIL

(ii) Other than Ongoing Project : ₹ 1,27,60,000/- (as detailed below)

S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation -Direct (Yes/No)	Mode of implementation: Through implementing agency	
				State	District			Name	CSR Registration Number
1	Contribution towards promotion and imparting of education, including special education, learning and employment	Promoting education, including special education and employment enhancing vocation skills	Yes	Gujarat	Ahmedabad	1,27,60,000/-	No	Adarsh Foundation	CSR00025287

(b) Amount spent in Administrative Overheads: Nil

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

(d) Total amount spent for the Financial Year (a+b+c) : ₹ 1,27,60,000

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (In ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount in ₹	Date of Transfer
₹ 1,27,60,000	-	-	-	-	-

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (₹)
(i)	2% of average net profit of the company as per section 135(5)	₹ 1,27,58,687 /-
(ii)	Total amount spent for the Financial Year	₹ 1,27,60,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 1,313/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for setoff in succeeding financial years [(iii)-(iv)]: • 2021-22: ₹ 29,000/- • 2022-23: ₹ 1,313/-	₹ 30,313/-

7. Details of Unspent CSR amount for the preceding three financial years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per 135(5): Not Applicable

For and on behalf of the Board

Sd/-
Rajendra V. Shah
Chairman of the Board
(DIN: 00020904)

Sd/-
Ashok Sharma
Chairman of CSR Committee
(DIN: 00038360)

Date: 25th August, 2023
Place: Santej, Gujarat

ANNEXURE - 6**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023****[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014]**

To,
The Members,
SHAH ALLOYS LIMITED
CIN: L27100GJ1990PLC014698

I/we have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHAH ALLOYS LIMITED** (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my/our verification of the records of **SHAH ALLOYS LIMITED**, 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, I/We hereby report that in my/our opinion, the company has, during the audit period covering **the financial year ended on 31st March, 2023** complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliances mechanism in place to the extent , in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minute books, forms and returns filed and record maintained by **SHAH ALLOYS LIMITED (CIN: L27100GJ1990PLC014698)** for the financial year ended on 31st March, 2023 according to the provisions of:

- (i) The Companies Act, 2013(the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulations) Act,1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act,1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings:**(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**.
- (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 Takeover) Regulations, 2011, as amended from time to time;

COMPLIED WITH ANNUAL DISCLOSURE OF SHAREHOLDING AS PER REGULATIONS 30 OF THE REGULATIONS.

- (b) Securities and Exchange Board of India (Prohibition of Insider Training) Regulations, 2015, as amended from time to time;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time;
- (d) Securities And Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(NO ESOS OR ESOPS WERE ISSUED DURING THE YEAR UNDER REVIEW)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Debt Securities) Regulations, 2021; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(NOT APPLICABLE FOR THE YEAR UNDER REVIEW)**

- (vi) As stated in the **Annexure – A** – all the laws, rules, regulations are applicable specifically to the company.
- (vii) No other major corporate events occurred during the year and various compliances made by the Company with applicable Laws, Rules, Regulations, Listing Regulations etc.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India and applicable w.e.f July 01, 2015 or any amendment, substitution, if any, are adopted by the Company and are complied with.
- (b) There are certain Charges/ Mortgages created by company in past for secured Borrowings are as per Books of Account Satisfied in full but are still showing in Register of Charge maintained by Registrar of Companies, website. The Company has taken active steps with the Office of the Registrar of Companies Office, for removal of such satisfied charges from its records.
- (c) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange Limited, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with in time.

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

I further report that

The board of directors of the company is duly constituted with proper balance of executive directors, non -executives directors, independent directors and woman director. The changes in the composition of the board of directors that took place during the period under review were carried out in compliance with the provisions of the act and with intimation to stock exchanges(s).

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with consent of directors at a shorter notice, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I 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 compliances with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has not incurred any specific event / action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guideline, standards, etc. except the Issue and allotment of bonus equity shares for which the company has duly complied with the necessary provisions thereof.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries
UDIN: A008356E000743959

(Kamlesh M. Shah)
Proprietor
ACS: 8356, COP: 2072

Place: Ahmedabad
Date: 04th August, 2023

“ANNEXURE-A”**Securities Laws**

1. All Price Sensitive Information were informed to the stock exchanges from time to time
2. All investors complain directly received by the RTA& Company is recorded on the same date of receipts and all are resolved within reasonable time.

Labour Laws

1. All the premises and establishments have been registered with the appropriate authorities.
2. The Company has not employed any child labour/ Bonded labour in any of its establishments.
3. Provisions with relate to compliances of PF/ESI/Gratuity Act are applicable to Company and Complied with.

Environmental Laws

As the company is engaged in the manufacturing activities, the environmental laws as are applicable to it and it has properly complied with such provisions to the extent applicable.

Taxation Laws

The company follows all the provisions of the taxation and Income Tax Act, 1961 and filing the returns at proper time with Income tax department and all other necessary departments. We have relied upon observations of statutory auditors in this matter.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries
UDIN: A008356E000743959

(Kamlesh M. Shah)

Proprietor

ACS: 8356, COP: 2072

Place: Ahmedabad
Date: 04th August, 2023

“ANNEXURE-B”

To
The Members,
SHAH ALLOYS LIMITED
CIN: L27100GJ1990PLC014698
5/1, Shreeji House, 5th Floor,
B/H M J Library, Ashram Road, Ahmedabad - 380 006, Gujarat, India.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied on Management Representation Letter provided by the Company before issuing this Report to the Company.

For **KAMLESH M. SHAH & CO.,**
Practicing Company Secretaries
UDIN: A008356E000743959

(Kamlesh M. Shah)

Proprietor

ACS: 8356, COP: 2072

Place: Ahmedabad
Date: 04th August, 2023

ANNEXURE - 7

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
Members,
SHAH ALLOYS LIMITED,
Ahmedabad-06, Gujarat

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SHAH ALLOYS LIMITED bearing CIN: L27100GJ1990PLC014698 and having its registered office at 5/1 Shreeji House 5th Floor b/H M J Library Ashram Road Ahmedabad 380006, Gujarat, India (hereinafter referred to 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. **All the Independent Directors are Registered at www.independentdirectorsdatabank.in Portal.**

Sr. No.	Name of Director	DIN	Disqualified Under Section 164 of Companies Act, 2013	Deactivation of DIN Due to Non-Filing of DIR-3 KYC
1	Rajendrakumar Shah	00020904	N.A.	N.A.
2	Ashok Sharma	00038360	N.A.	N.A.
3	Gulamhussein M. Shaikh	00367186	N.A.	N.A.
4	Tejpal S. Shah	01195357	N.A.	N.A.
5	Harshad Mafatlal Shah	01309096	N.A.	N.A.
6	Shefali Manojbhai Patel	07235872	N.A.	N.A.
7	Prakashkumar Patel	09482087	N.A.	N.A.
8	Mrinal Sinha	09482143	N.A.	N.A.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

For, **Kamlesh M. Shah & Co.,**
Practicing Company Secretary

Sd/-

Kamlesh M. Shah
(Proprietor)
(ACS: 8356, COP: 2072)

Place: Ahmedabad
Date: 20th May, 2023
UDIN: A008356E000345198

ANNEXURE - 8

REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, a Report on Corporate Governance for the year ended 31st March, 2023 is presented below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve your Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target.

2. BOARD OF DIRECTORS:

A. Composition and category of Directors (e.g. Promoter, Executive, Non-Executive & Independent Non-Executive)

As at 31st March, 2023, the composition of the Board of Directors of the Company was as follows:

Sr. No.	Name of Director	Category
1	Shri Rajendra V. Shah	Promoter Non- Executive Chairman
2	Shri Ashok Sharma	Non Promoter Whole time Director
3	Shri Mrinal Sinha	Non Promoter Whole time Director
4	Shri Prakash Patel	Non Promoter Whole time Director
5	Shri G.M. Shaikh	Non – Executive & Independent
6	Shri Harshad M. Shah	Non – Executive & Independent
7	Shri Tejpal S. Shah	Non – Executive & Independent
8	Smt. Shefali M. Patel	Non – Executive & Independent

B. Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting (AGM)

Sr. No.	Name of Directors	Board Meetings					AGM
		28/05/2022	28/06/2022	09/08/2022	11/11/2022	06/02/2023	
1	Shri Rajendra V. Shah	YES	YES	YES	YES	YES	YES
2	Shri Ashok Sharma	YES	YES	YES	YES	YES	YES
3	Shri Mrinal Sinha	YES	YES	YES	YES	YES	YES
4	Shri Prakash Patel	YES	YES	YES	YES	YES	YES
5	Shri G.M. Shaikh	YES	YES	YES	YES	YES	YES
6	Shri Harshad M. Shah	YES	YES	YES	YES	YES	NO
7	Shri Tejpal S. Shah	YES	YES	YES	YES	YES	NO
8	Smt. Shefali M. Patel	YES	YES	YES	YES	YES	YES

C. Number of other Board of Directors or Committees in which a Director is a member or chairperson as on 31st March, 2023

Sr. No.	Name of Director	Directorships in Other Board of Directors	Membership* of Committees of Other Boards	Chairmanship* of Committees of Other Boards
1	Shri Rajendra V. Shah	1	1	NIL
2	Shri Ashok Sharma	NIL	NIL	NIL
3	Shri Mrinal Sinha	NIL	NIL	NIL
4	Shri Prakash Patel	NIL	NIL	NIL
5	Shri G.M. Shaikh	1	NIL	NIL
6	Shri Harshad M. Shah	1	1	NIL
7	Shri Tejpal S. Shah	1	NIL	NIL
8	Smt. Shefali M. Patel	1	1	NIL

* Chairmanship and Membership of Audit Committee and Stakeholders' Relationship Committee have been considered pursuant to regulation 26(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

None of the Directors holds chairpersonship of the Board Committees in excess of the maximum ceiling of five and membership in excess of the maximum ceiling of ten, as specified under Regulation 26 of SEBI (LODR) Regulations, 2015. No Director of the Company is related to any other director on the Board.

No Independent Director serves as a Whole-time Director/Managing Director in any other listed company. Further, none of the Non-Executive Director of the Company, holds Directorship/Independent Directorship in more than seven listed companies and the Executive Directors of the Company does not hold Independent Directorship in any listed companies as provided under Regulation 17A of SEBI (LODR) Regulations, 2015.

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive directors to ensure the independence of the Board and to separate the board functions of governance and management. The Board comprises of total eight (8) directors, out of which three (3) are Executive Director and four (4) are Non-Executive Independent Directors & the Chairman of the Board is Non-Executive, Non-Independent of the Board.

Names of the listed entities where the person is a director and the category of directorship as on 31st March, 2023

Sr. No.	Name of Director	Name of Listed Entity in which Director	Category of Director
1	Shri Rajendra V. Shah	SAL STEEL LIMITED	Promoter Non- Executive Chairman
2	Shri Ashok Sharma	NIL	NIL
3	Shri Mrinal Sinha	NIL	NIL
4	Shri Prakash Patel	NIL	NIL
5	Shri G.M. Shaikh	NIL	NIL
6	Shri Harshad M. Shah	SAL STEEL LIMITED	Non – Executive & Independent
7	Shri Tejpal S. Shah	SAL STEEL LIMITED	Non – Executive & Independent
8	Smt. Shefali M. Patel	SAL STEEL LIMITED	Non – Executive & Independent

D. Number of Meetings of the Board of Directors held and dates on which held

During the financial year 2022-23, 5 (Five) Board Meetings were held. The dates on which these Meetings were held are given in the Table provided in table hereinabove.

E. Disclosure of relationships between directors inter-se

None of the Directors are related to each other.

F. Independent Directors' Meeting

Independent Directors met on 06.02.2023 without presence of Non - Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company's Management and the Board

G. Shareholding of Non-Executive Directors

As on 31st March, 2023, Shri Rajendra V. Shah, Chairman of the Company held 79,12,404 shares in the equity share capital of the Company in addition to 15,31,960 shares as Karta of HUF. None of the other Non-Executive Directors hold any equity shares in the Company.

H. Details of Familiarization Programs imparted to independent directors

Pursuant to regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarize the independent directors through various programs about the Company. During the financial year, senior management team has from time to time made presentations to Directors giving an overview of the Company's operations, function, strategy, business model of the company, roles, rights, responsibilities of independent directors and risk management plan of the Company.

Details of familiarization programs extended to the Independent Directors are also disclosed on the Company website from time to time at: <http://shahalloys.com/images/inner/pdf/Policies/8.%20Familiarization-Programme-For-Independent-Directors.pdf>.

3. COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has already constituted the following mandatory Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings. The Board has constituted four Committees and conducted separate meeting of the Independent Directors.

The various Board level Committees are as under:-

- Audit Committee;
- Nomination & Remuneration Committee;
- Stakeholders Relationship Committee; and
- Corporate Social Responsibility Committee

A. AUDIT COMMITTEE:

The composition and terms of reference of the Audit Committee are in compliance with the provisions of Section 177 of the Act and , Regulation 18 of the Listing Regulations and regulation 9A(4) of SEBI (PIT) Regulations, 2015. The composition of Committee is given in this Report.

Brief description of terms of reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part C of Schedule II).

- a. oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing regulations and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions;
 - vii. modified opinion(s) in the draft audit report;

- e. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institution placement, and making appropriate recommendations to the board to take up steps in this matter;
- g. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h. approval or any subsequent modification of transactions of the Company with related parties;
- i. scrutiny of inter-corporate loans and investments;
- j. valuation of undertakings or assets of the Company, wherever it is necessary;
- k. evaluation of internal financial controls and risk management systems;
- l. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. discussion with internal auditors of any significant findings and follow up there on;
- o. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. to review the functioning of the whistle blower mechanism;
- s. approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- t. Carrying out any other function as is mentioned in terms of reference of the Committee;
- u. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date; and
- v. review compliance with the applicable provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations") at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

Further, the Audit Committee mandatorily reviews the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) management letters / letters of internal control weaknesses issued by the statutory auditors;
- c) internal audit reports relating to internal control weaknesses; and
- d) the appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Committee.
- e) statement of deviations:
 - i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations
 - ii. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations

Further, in terms of the provisions of Section 177 of the Act and applicable Rules made thereunder, the terms of reference for the Audit Committee also include:

- a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- b) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- c) examination of the financial statement and the auditors' report thereon;
- d) approval or any subsequent modification of transactions of the company with related parties;
- e) scrutiny of inter-corporate loans and investments;
- f) valuation of undertakings or assets of the company, wherever it is necessary;
- g) evaluation of internal financial controls and risk management systems;
- h) monitoring the end use of funds raised through public offers and related matters.

Composition:

The Audit Committee comprises of three (3) non-executive Directors as on 31st March, 2023. All the Members of Audit Committee are Independent Directors. During the period under review, four (4) Audit Committee meetings were held on 28th May, 2022, 09th August, 2022, 11th November, 2022 and 06th February, 2023.

Sr. No.	Name of the Members	Date-wise attendance of Audit Committee Meeting during the F.Y. 2022-23			
		28.05.2022	09.08.2022	11.11.2022	06.02.2023
1.	Shri G.M. Shaikh (Chairman)	Yes	Yes	Yes	Yes
2.	Shri Rajendra V. Shah	Yes	Yes	Yes	Yes
3.	Smt. Shefali Patel	Yes	Yes	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 23rd September, 2022 to answer the queries of the shareholders.

B. NOMINATION AND REMUNERATION COMMITTEE:

The composition and terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The composition of Committee is given in this Report. Terms of reference of the Committee inter alia include the following:

- i. identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- ii. shall specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance
- iii. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- iv. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- v. devising a policy on diversity of board of directors;
- vi. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- vii. recommend to the Board, all remuneration, in whatever form, payable to Senior Management

Composition:

The Nomination and Remuneration Committee comprises of three Non-Executive Directors as on 31st March, 2023, the Chairman being Non-Executive and Independent.

During the period under review, five (5) meetings of Nomination and Remuneration Committee were held on 28th May, 2022, 28th June, 2022, 09th August, 2022, 11th November, 2022 and 06th February, 2023.

Sr. No.	Name of the Members	Date-wise attendance of Nomination and Remuneration Committee Meeting during the F.Y. 2022-23				
		28.05.2022	28.06.2022	09.08.2022	11.11.2022	06.02.2023
1.	Shri G.M. Shaikh (Chairman)	Yes	Yes	Yes	Yes	Yes
2.	Shri Rajendra V. Shah	Yes	Yes	Yes	Yes	Yes
3.	Smt. Shefali Patel	Yes	Yes	Yes	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary acts as the Secretary of the Committee.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 23rd September, 2022 to answer the queries of the shareholders.

Board Evaluation

Pursuant to section 134 of the Companies Act, 2013, the Board is responsible for the formal Annual Evaluation of its own performance, of its committee & Individual Directors. Further, as per regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, performance evaluation of the Independent Directors shall be done by entire Board of Directors, excluding directors being evaluated.

During the year, Board in concurrence with Nomination & Remuneration Committee has laid down the evaluation criteria for itself, Committees, Chairperson, Executive and Non- Executive Directors and Independent Directors. The evaluation was carried out through a structured questionnaire covering various aspects of the functioning of the Board of Directors.

The following broad parameters were considered to evaluate the performance of the independent Directors:

- Integrity, maintenance of high standard and confidentiality;
- Commitment and participation at the Board & Committee meetings;
- Effective deployment of knowledge and expertise;
- Exercise of independent judgment in the best interest of Company;
- Interpersonal relationships with other directors and management.

The following broad parameters were considered to evaluate the performance of the Board and Committees:

- Size, structure and expertise of the Board/Committees;
- Review of strategies, risk assessment, robustness of policies and procedures by Board;
- Oversight of the financial reporting process & monitoring Company's internal control system;
- Quality of agenda, conduct of meeting, procedures and process followed for effective discharge of functions;
- Effective discharge of functions and duties by Committee as per terms of reference;
- Appropriateness and timeliness of the updates given on regulatory developments;
- Board's engagement with senior management team.

Remuneration of Directors

- Pecuniary Relationship or Transactions of the Non-Executive Directors

There were no pecuniary relationships or transactions of the Non-Executive Directors *vi- a-vis* the Company.

- Criteria for Making Payment to Non-Executive Directors

Role of Non-Executive - Independent Directors of the Company is not just restricted to corporate governance or outlook of the Company but they also bring with them significant professional expertise and rich experience across the wide spectrum of functional areas. The Company seeks their expert advice on various matters from time to time. Hence, the compensation to the Non-Executive - Independent Directors is recommended.

c. Compensation/Fees Paid to Non-Executive Directors

Non-Executive Independent Directors were paid sitting fees for attending the Board and Committee Meetings.

d. Details of Remunerations

Details of remuneration and sitting fees paid or provided to all the directors during the year ended 31st March, 2023 are as under:

Name of Director	Sitting Fees	Salaries & Perquisites	Commission	Total
Shri Rajendra V. Shah	Nil	Nil	Nil	Nil
Shri Ashok Sharma	Nil	19,20,000	Nil	19,20,000
Shri G. M Shaikh	90,000	Nil	Nil	90,000
Shri Harshad M. Shah	50,000	Nil	Nil	50,000
Shri Tejpal S. Shah	50,000	Nil	Nil	50,000
Smt. Shefali M. Patel	90,000	Nil	Nil	90,000
Sh. Mrinal Sinha	Nil	27,00,000	Nil	27,00,000
Sh. Prakash Patel	Nil	16,73,400	Nil	16,73,400

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The composition and terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015. The composition of Committee is given in this Report. The Committee looks into redressing the stakeholders' grievances / complaints.

Terms of Reference:

The functions of Stakeholders Relationship Committee, inter alia, include the following:

- To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.
- To review the measures taken for effective exercise of voting rights by shareholders.
- To review of adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- To review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

COMPOSITION:

The Stakeholders Relationship comprises of 3 (Three) members of which, 2 (Two) are Non-Executive and Independent Directors, the Chairman being Non-Executive and Independent. During the period under review, four (4) meetings of Nomination and Remuneration Committee were held on 28th May, 2022, 09th August, 2022, 11th November, 2022 and 06th February, 2023. The attendance of the Members of the Stakeholders Relationship Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of Stakeholders' Relationship Committee Meeting during the F.Y. 2022-23			
		28.05.2022	09.08.2022	11.11.2022	06.02.2023
1.	Shri G.M. Shaikh (Chairman)	Yes	Yes	Yes	Yes
2.	Shri Ashok Sharma	Yes	Yes	Yes	Yes
3.	Smt. Shefali Patel	Yes	Yes	Yes	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary acts as the Secretary of the Committee.

Name and designation of Compliance Officer

Shri Mayank Chadha, Company Secretary was appointed as Company Secretary & Compliance Officer of the Company w.e.f. 29th May, 2023 as per regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to discharge all duties under the listing regulations due to the resignation of Shri Vinay Kumar Mishra from the post of Company Secretary & Compliance Officer of the Company w.e.f. 20th April, 2023.

The Company has a designated E-mail ID i.e. cs@shahalloys.com for the redressal of complaints / grievances of the stakeholders which is also displayed on the website of the Company.

Details of Shareholders Complaints

The details of shareholders complaints received and resolved till 31st March, 2023 are as under:

No. of shareholders' complaints received during the year: Five (05)

No. of complaints not resolved to the satisfaction of shareholders: Nil

No. of complaints resolved during the year: Five (05)

No. of pending Complaints: Nil

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition and terms of reference of the Corporate Social Responsibility (CSR) Committee are in compliance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 made thereunder. The composition of Committee is given in this Report.

Terms of Reference:

The functions of CSR Committee, inter alia, include the following:

1. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII;
2. To recommend the amount of expenditure to be incurred on the activities mentioned in CSR Policy;
3. To monitor CSR Policy of the Company from time to time;
4. To formulate and recommend to the Board, an annual action plan, which shall include the following:
 - a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Act;
 - b) The manner of execution of such projects or programmes as specified in Rule 4(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
 - c) The modalities of utilization of funds and implementation schedules for the projects and programmes;
 - d) Monitoring and reporting mechanism for the projects and programmes;
 - e) Details of need and impact assessment, if any, for the projects undertaken by the Company;
5. Such other functions / roles as may be delegated or assigned to the Committee from time to time.

COMPOSITION:

The CSR Committee consists of three members comprising of one (01) Independent Non-executive Director, one (01) Whole-time Director and one (01) Non-Independent Non-Executive Director as on 31st March, 2023. During the period under review, one (01) CSR Committee meeting was held on 28th June, 2022. The attendance of the Members of the CSR Committee is as under:

Sr. No.	Name of the Members	Date-wise attendance of CSR Committee Meeting during the F.Y. 2022-23
		28.06.2023
1.	Shri Ashok Sharma (Chairman)	Yes
2.	Shri Rajendra V. Shah	Yes
3.	Shri G.M. Shaikh	Yes

Yes – Attended, No – Not Attended, N.A. – Not Applicable

The Company Secretary acts as the Secretary of the Committee.

4. GENERAL BODY MEETING

Date, Time and Venue of the last three Annual General Meetings:

Year	Date	Time	Venue	No. of special resolutions passed
2019-20	December 23 rd , 2020	10:00 A.M.	Video Conferencing (VC)/ Other Audio and Visual Means (OAVM) Deemed Venue of the AGM: SAL Institute & Engineering Research, Opp. Science City, Ahmedabad: 380 060	03
2020-21	September 28 th , 2021	10:00 A.M.	Video Conferencing (VC)/ Other Audio and Visual Means (OAVM) Deemed Venue: Registered office of the company situated at 5/1, Shreeji House, B/h. M. J. Library, Ashram Road, Ahmedabad -380006	NIL
2021-22	September 23 rd , 2022	10:00 A.M.	Video Conferencing (VC)/ Other Audio and Visual Means (OAVM) Deemed Venue: Registered office of the company situated at 5/1, Shreeji House, B/h. M. J. Library, Ashram Road, Ahmedabad -380006	NIL

POSTAL BALLOT

No Special Resolution was passed during financial year 2022-23 through postal ballot.

As on the date of this report, no Special Resolution is proposed to be passed through Postal Ballot.

EXTRA-ORDINARY GENERAL MEETING

Apart from the Annual General Meeting, an Extra-ordinary General Meeting of the Company was held on Wednesday, 11th May, 2022 during the Financial Year 2022-23, wherein no special resolutions were passed.

5. MEANS OF COMMUNICATION

- All Quarterly / Half Yearly/ Annual financial results are immediately sent to stock exchanges after being taken on record by the Board.
- As per the requirements of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, results are also published in leading daily local & English National newspapers namely Indian Express and Financial Express. The said results are also displayed at Company's web site.
- The Company's website www.shahalloys.com contains a separate dedicated section named "Investors" where information for shareholders is available. Press releases, if any, are also displayed at Company's website as well as published in newspapers.

6. GENERAL SHAREHOLDERS INFORMATION

a) Company Registration Details

The Company is registered in the State of Gujarat having Corporate Identification Number (CIN) as allotted by Ministry of Corporate Affairs (MCA) as L27100GJ1990PLC014698.

b) Annual General Meeting

Day : Friday
Date : 29th September, 2023
Time : 11:00 AM
Deemed Venue : 5/1, Shreeji House, B/h. M. J. Library, Ashram Road, Ahmedabad -380006
Mode : VC/OAVM

c) Financial Year

For accounting and financial reporting purpose, Company follows Financial Year which starts from 1st April each year and ends on 31st March of every succeeding year.

The Quarterly Results for the financial year 2023-24 will be taken on record by the Board of Directors as per the following schedule:

Quarter ending 30 th June 2023	: By 14 th August 2023
Quarter ending & Half Year 30 th September 2023	: By 14 th November 2023
Quarter & Nine Months ending 31 st December 2023	: By 14 th February 2024
Audited Annual Results for the quarter & year ended on 31 st March, 2024 : on or before 30 th May, 2024	

d) Dividend Payment Date : Not Applicable

e) Listing on Stock Exchange & Stock codes : BSE Limited

Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001

Scrip Code: 513436

National Stock Exchange of India Ltd (NSE)

“Exchange Plaza”, BandraKurla Complex, Bandra (E), Mumbai – 400051

NSE Symbol: SHAHALLOYS

Company has paid listing fees in respect of financial year 2023-24 to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Demat ISIN No. for NSDL and CDSL : INE640C01011

f) Stock code : BSE Limited

Scrip Code: 513436

National Stock Exchange of India Ltd (NSE)

NSE Symbol: SHAHALLOYS

g) Share Price Data

Month	Share price of Shah Alloys Limited at Stock Exchanges						Performance of the closing price of the shares Company in comparison to broad-based indices such as BSE S&P SENSEX and NIFTY 50			
	BSE			NSE			Shah Alloys Limited Closing Price	BSE S&P Sensex Closing Price	Shah Alloys Limited Closing Price	NSE NIFTY50 Closing Price
	Highest	Lowest	No. of shares traded (In Lakhs)	Highest	Lowest	No. of shares traded (In Lakhs)				
Apr-22	122.10	87.35	4.50	121.80	88.90	11.90	87.70	57060.87	88.90	17102.55
May-22	86.25	60.15	2.79	87.01	59.95	10.87	75.45	55566.41	9.50	16584.55
Jun-22	96.20	66.60	4.37	95.70	66.95	13.74	76.85	53018.94	76.70	15780.25
Jul-22	84.30	70.00	1.90	82.90	69.95	7.18	73.85	57570.25	72.75	17158.25
Aug-22	75.50	50.00	2.06	75.45	50.10	14.84	53.75	59537.07	54.10	17759.30
Sep-22	64.55	50.10	3.39	63.75	50.50	14.19	64.10	57426.92	62.50	17094.35
Oct-22	67.30	56.00	1.17	67.00	56.20	3.57	56.45	60746.59	56.50	18012.20
Nov-22	62.65	53.75	1.14	62.80	53.65	5.33	54.25	63099.65	54.55	18758.35
Dec-22	77.85	52.80	3.53	77.50	53.05	10.74	64.45	60840.74	64.30	18105.30
Jan-23	82.65	63.05	1.53	81.00	64.10	7.29	68.40	59549.9	68.05	17662.15
Feb-23	71.20	48.15	0.97	71.20	48.55	4.38	50.00	58962.12	49.85	17303.95
Mar-23	53.49	42.00	0.55	52.75	41.10	3.58	43.20	58991.52	43.00	17359.75

h) Registrar to Issue and Share Transfer Agents

Registrars and Share Transfer Agents (R&T Agent) All the work relating to the shares held in the physical form as well as the shares held in the electronic (dematerialized) form is being done at one single point and for this purpose SEBI registered Registrars and Transfer Agents has been appointed, whose details are given below:

Bigshare Services Private Limited
(Unit: Shah Alloys Limited)
Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093
Board No. : 022 6263 8200
Email id.: info@bigshareonline.com

i) Share Transfer System

Transfer of securities held in physical mode has been discontinued w.e.f. 01st April, 2019. However, SEBI vide its various circulars / notifications granted relaxation for re-lodgement cases till 31st March, 2021. In compliance with the circular, re-lodgement of transfer requests was carried out till the validity period of Circular. Further, effective from 01st April, 2021, Company / RTA is not accepting any requests for the physical transfer of shares from the shareholders.

Requests for Transmission of Shares received with all the documents along with duly filled ISR - 4 are normally processed within 15 days of receipt of the documents, provided that documents are in order. Transmission requests under objection are returned within two weeks from the date of its receipt.

Pursuant to SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25th January, 2022, SEBI has directed that listed companies shall henceforth issue securities in dematerialized form only while processing the transmission request as may be received from the securities holder / claimant. Accordingly, the Company is processing the transmission request as per the terms of said circular.

j) Shareholding pattern as on 31st March, 2023

Category	No. of Shares	% of Shares
Clearing Member	18778	0.09
Corporate Bodies	1139754	5.76
Non Resident Indian	102996	0.52
Promoters	10640442	53.75
Public	7461925	37.69
HUF	432445	2.18
Trusts	1200	0.01
Total	19797540	100.0000

Distribution of shareholding as on 31st March, 2023

Shareholding of Nominal		Number of Shareholders	% to Total	Share Amount	% to Total
1	5000	8523	85.5551	11652050	5.8856
5001	10000	674	6.7657	5447630	2.7517
10001	20000	324	3.2524	5018300	2.5348
20001	30000	115	1.1544	2947030	1.4886
30001	40000	59	0.5923	2086870	1.0541
40001	50000	46	0.4618	2145120	1.0835
50001	100000	81	0.8131	6064940	3.0635
100001	9999999999	140	1.4053	162613460	82.1382
Total		9962	100	197975400	100

k) Dematerialization of Shares and Liquidity

On 31st Marchst 2023, nearly 98.19% of the shareholders of Company were holding Company's shares in DEMAT form. In the same way, Promoters & Promoters-group shareholding was also fully dematerialized.

l) Compliances under Listing Regulations

The Company regularly complies with the Listing Regulations. Information, certificates and returns as required under the provisions of Listing Agreement and Listing Regulations have been sent to the stock exchanges within the prescribed time.

m) CEO and CFO Certification

In terms of Regulation 17(8) of Listing Regulations, the Managing Director and the CFO of the Company have given compliance certificate stating therein matters prescribed under Part B of Schedule II of the said regulations. In terms of Regulation 33(2) (a) of Listing Regulations, the Managing Director and the CFO certify the quarterly financial results while placing the financial results before the Board.

n) Information on Deviation from Accounting Standards, if any.

There has been no deviation from the Accounting Standards in preparation of Annual Accounts for the Financial Year 2022-23.

o) Plant Location:

The Company's plant is located at:
2221/2222, Shah Industrial Estate,
Sola-Kalol Road,
Santej, Taluka Kalol,
Dist. Gandhinagar-382721

p) Registered & Administrative Offices:

Registered Office

5/1, Shreeji House,
Behind M. J. Library, Ashram Road
Ahmedabad – 380006, Gujarat

Corporate / Administrative Office:

Corporate House,
Sola-Kalol Road, Village Santej,
Dist: Gandhinagar, Gujarat – 382721

q) Address for Investor Correspondence:

In case any problem or query shareholders can contact at:

Name : Shri Mayank Chadha, Company Secretary and Compliance officer
Address : Shah Alloys Corporate House,
Sola-Kalol Road, Santej, Dist. Gandhinagar, Gujarat 382 721
Phone : 91-02764-661100/11
Fax : 91-02764-661110
Email : sal.investor@shahalloys.com; cs@shahalloys.com

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

Name : Bigshare Services Private Limited
Address : Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400093
Board No. : 022 6263 8200
Fax No. : 022 2847 5207
Email id. : info@bigshareonline.com
Website : www.bigshareonline.com

r) Utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

No funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the F.Y. 2022-23.

s) Certification of non-disqualification of Directors:

A Certificate under clause (i) of point (10) of para C of Schedule V of the SEBI Listing Regulations from Shri Kamlesh. M. Shah, Practicing Company Secretary, (Membership No. A8356 and COP No. 2072), confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority forms part of this report.

t) Prevention of Sexual Harassment at Workplace

There were no complaints pending for the redressal at the beginning of the year and no complaints received during the financial year.

OTHER DISCLOSURES:

Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

There is no materially significant related party transaction that may have potential conflict with the interests of the Company at large have been entered.

During the financial year, all transactions entered into with the Related Parties as defined under Companies Act, 2013, were in the ordinary course of business and on an arm's length basis, and did not attract provisions of Section 188 of Companies Act, 2013, relating to approval of shareholders. However, prior approvals from the Audit Committee are obtained for transactions which are in ordinary course of business and repetitive in nature. Further, on quarterly basis, disclosures are made to the Audit Committee and to the Board.

Details of related party transactions are also presented in the notes to financial statements.

The Company has formulated the policy on materiality of related party transactions and on dealing with related party transactions and it is available at the website of the Company at: <http://www.shahalloys.com>

Details of non-compliance by the listed entity, penalties and strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

No statutory authority or the Board has imposed penalty on any matter related to capital markets, during the last three years.

Establishment of vigil mechanism and affirmation that no personnel have been denied access to the audit committee

The Company has implemented a Vigil Mechanism Policy, whereby employees, directors and other stakeholders can report matters such as generic grievances, corruption, misconduct, fraud, misappropriation of assets and non-compliance to code of conduct to the Company. The policy safeguards the whistleblowers to report concerns or grievances and also provides a direct access to the Chairman of the Audit Committee. During the financial year none of the personnel has been denied access to the audit committee.

Corporate Governance Compliance Certificate

Compliance Certificate from M/s Kiran Kumar Patel, Practicing Company Secretaries, as regarding compliance of conditions of corporate governance is annexed with Corporate Governance report.

Key Board qualifications, expertise and attributes

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board along with the name of Directors who possesses such Skill/ experience/ competencies:

Skill/ experience/ competencies	Name of the Directors							
	Sh. Rajendra V. Shah	Sh. Ashok Sharma	Sh. Mrinal Sinha	Sh. Prakash Patel	Sh. G. M. Shaikh	Sh. Tejpal Shah	Sh. Harshad M. Shah	Smt. Shefali M. Patel
Leadership	✓	✓	✓	✓	✓	✓	✓	✓
General Management and Business Operations	✓	✓	✓	✓	✓	✓	✓	✓
Senior Management Expertise	✓	✓	✓	✓	✓	✓	✓	✓
Industry Expertise	✓	✓	✓	✓	✓	✓	✓	✓
Public Policy/ Governmental Regulations	✓	✓	✓	✓	✓	✓	✓	✓
Accounting/Finance/Legal Skills	✓	✓	✓	✓	✓	✓	✓	✓
Risk Management	✓	✓	✓	✓	✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Business Development/Sales/ Marketing	✓	✓	✓	✓	✓	✓	✓	✓
International Business	✓	✓	✓	✓	✓	✓	✓	✓
Strategy/ M&A/ Restructuring/ Forging Joint Ventures/ Partnerships and Turning around Organisations	✓	✓	✓	✓	✓	✓	✓	✓
Technical / Professional skills and specialized knowledge in relation to Company's business	✓	✓	✓	✓	✓	✓	✓	✓

FEE PAID TO STATUTORY AUDITORS

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part are provided in the Standalone Financial Statements forming part of this Annual Report.

DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements have been prepared in accordance with Indian Accounting Standards (IND AS). The Company has prepared these financial statements to comply in all material respects with the IND AS, notified under section 133 of the Companies Act, 2013 ("the Act") read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board

Sd/-

Rajendra V. Shah

Chairman

(DIN: 00020904)

Date: 25th August, 2023

Place: Santej, Gujarat

DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL UNDER REGULATION 17(5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

I, Ashok Sharma, Whole-Time Director and CFO of the Company, hereby certify that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct in accordance with Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchange. Company has adopted a code of conduct for all Board members and senior management of the company which is posted on the website of the company.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 25th August, 2023.

For **Shah Alloys Limited**

Sd/-

Ashok Sharma

Whole-time Director & CFO
(DIN 00038360)

Place: Santej, Gujarat

Date: 25th August, 2023

ANNEXURE-9**CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members of
Shah Alloys Limited

We have examined the compliance of conditions of Corporate Governance by Shah Alloys Limited ('the Company'), for the year ended 31st March, 2023 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in the Listing Regulations for the period 1st April, 2022 to 31st March, 2023.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For, **K. K. Patel & Associates**

Sd/-

Kiran Kumar Patel

Company Secretary
C.P.No.6352
UDIN: F006384E000781587

Place: Gandhinagar

Date: 10th August, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

World Economic Environment

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases. Source: www.imf.org

World Steel Scenario

The World Steel Association (worldsteel) has released its Short Range Outlook (SRO) steel demand forecast for 2023 and 2024. Worldsteel forecasts that this year, demand will see a 2.3% rebound to reach 1,822.3 Mt. Steel demand is forecast to grow by 1.7% in 2024 to reach 1,854.0 Mt. Manufacturing is expected to lead the recovery, but high interest rates will continue to weigh on steel demand. Next year, growth is expected to accelerate in most regions, but deceleration is expected in China. Source: www.worldsteel.org

Indian Steel Scenario

One of the primary forces behind industrialization has been the use of metals. Steel has traditionally occupied a top spot among metals. Steel production and consumption are frequently seen as measures of a country's economic development because it is both a raw material and an intermediary product. Therefore, it would not be an exaggeration to argue that the steel sector has always been at the forefront of industrial progress and that it is the foundation of any economy. The Indian steel industry is classified into three categories - major producers, main producers and secondary producers.

India is the world's second-largest producer of crude steel, with an output of 125.32 MT of crude steel and finished steel production of 121.29 MT in FY23.

India's steel production is estimated to grow 4-7% to 123-127 MT in FY24. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

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

In the past 10-12 years, India's steel sector has expanded significantly. Production has increased by 75% since 2008, while domestic steel demand has increased by almost 80%. The capacity for producing steel has grown concurrently, and the rise has been largely organic. In FY23, the production of crude steel and finished steel stood at 125.32 MT and 121.29 MT respectively.

In FY22, the production of crude steel and finished steel stood at 133.596 MT and 120.01 MT, respectively. The consumption of finished steel stood at 105.751 MT in FY22. In FY23, the consumption of finished steel stood at 119.17 MT. In April-July 2022, the production of crude steel and finished steel stood at 40.95 MT and 38.55 MT respectively.

In FY23, exports and imports of finished steel stood at 6.7 MT and 6.02 MT, respectively. In FY22, India exported 11.14 MT of finished steel. In April 2023 exports of steel stood at 8.55 lakh metric tonnes (LMT), while imports stood at 4.60 LMT.

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

OPPORTUNITIES & THREATS:

Opportunities:

Every industry has its own perks and challenges. When it comes to the steel industry, you face many challenges to overcome in order to manufacture or even recycle steel. Steel industry or steel per se has huge demand all over the globe which makes it all the more difficult to fulfil that need. There are many countries who export steel out of which, China exports 50% of the world's steel requirement. Today, we will talk about major challenges and opportunities in the steel industry. First, we will discuss challenges which provide opportunities to grow. The steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, etc.

- **Capital Goods:-** The capital goods sector accounts for 11% of steel consumption and is expected to increase 14-15% by FY2025-26 and has the potential to increase in tonnage and market share.
- **Automotive Industry:-** The Automotive industry accounts for around 10% of demand of steel in India. It is forecasted to grow in size to US\$ 260-300 billion by 2026. Demand from the sector for steel is expected to be robust.
- **Infrastructure sector:-** The Infrastructure sector accounts for 9% of steel consumption and expected to increase 11% by FY2025-26. Because of rising investments in infrastructure, the demand for long steel products would increase in the years ahead.
- **Railways:-** Laying of tracks and construction of foot over bridges, rail coaches, railway stations will also drive the steel demand.
- **Airport:-** The number of operational airports stood at 103 as on 31st March, 2019. Under union budget 2020, Government is targeting 100 more airports by FY2024. Development of new airports in Tier-II city would sustain consumption growth.
- **Oil and Gas:-** India's primary energy consumption of oil and gas is expected to increase to 10 mbpd and 14 bcfd, respectively, by 2040. Under budget 2020, Government plans for the expansion of National Gas Grid to 27,000 Km from the present 16,200 Km. This would lead to an increase in demand, providing a lucrative opportunity to the steel industry.

Threats:

When we consider the impact of digital disruption on organisations, steel companies tend to be overlooked. However, the fact is that entire industry needs an upgrade to achieve its true potential moving forward, especially considering the various challenges the industry is facing. Continuous trade wars between the world's major economies and the steel vs aluminium debate in auto manufacturing are some of the many well-known threats that the steel industry needs to develop strategies for. Likewise, unexpected threats, the surprises that arise through digital technologies and changing customer expectations also merit consideration. These new and possibly more disruptive improvements can challenge the traditional steel company's business models. Digital disruption will enable the steel industry to prepare itself for unexpected challenges and become more competitive.

The per capita labour productivity in India is at 90-100 tonnes which is one of the lowest in the world. The labour productivity in Japan, Korea and some other major steel producing countries is about 600-700 tonnes per man per year.

At Gallatin Steel a mini mill in the U.S. there are less than 300 employees to produce 1.2 million tonnes of hot rolled coils. A comparable facility in India employs 5,000 workers. Therefore, there is an urgent need to increase the productivity which requires retraining and redevelopment of the labour force.

Outlook:

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth of 7.3% and 6.2% in 2023 and 2024 compared to a global growth of 2.3% and 1.7%, respectively, according to Short Range Outlook of The World Steel Association. The world steel forecast comes against the backdrop of the country's macro-economic fundamentals like manufacturing and services PMIs, IIP, core infrastructure growth, remaining steady and strong and it is expected to register a GDP growth ranging from 6 to 6.5% in fiscal 2023-24, as estimated by different agencies including the RBI, IMF & World.

- China remained the leader in world crude steel production with an output of 261.6 mt in January-March 2023 period, registering a growth of 6.1% yoy. The country accounted for 56.9% of world crude steel production during the first three months of 2023.
- Further, China and India were the only countries among the top 10 steel producing countries in the world which registered growth in production during January-March 2023.
- India was the 2nd largest producer of crude steel with an output of 33.2 mt in January-March 2023, showing a yoy growth of 3.0%. The country accounted for 7.2% of world crude steel production during the first quarter of calendar year 2023.

- Japan was the 3rd largest producer of crude steel with an output of 21.6 mt in January-March 2023 period, down by 6.0% yoy. Japan accounted for 4.7% of world crude steel production during the period.
- With crude steel production of 19.4 mt (down 4.0% yoy), the USA was the 4th largest producer of crude steel during January-March 2023.
- Russia's crude steel production stood at 18.7 mt (down 1.3% yoy) in January-March 2023 period and the country was the 5th largest producer of crude steel.

RISKS AND CONCERNS

Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's Structured Risk Management Process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed. The company management has a Risk Management Team comprising of Functional heads as Champions and accountable for risks associated in their areas. The company has review mechanism of risks at regular intervals. The management of the Company has identified some of the major areas of concern having inherent risk, viz. Foreign Currency Fluctuation, Client Concentration, Technology Risks and Credit Control. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved.

Risk Management comprises three key components which are as below:

- Risk identification
- Risk assessment and mitigation
- Risk monitoring and assurance

Your Company has identified the following aspects as the major risks for its operations:

- Market Risk – in terms of Price increase of Raw Material
- Foreign Exchange Risk

The risk mitigation plans are reviewed regularly by the Management and Audit Committee of your Company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Company has in place internal control systems and procedures commensurate with the size and nature of its operations. Internal control processes which consist of adopting appropriate management systems and implementing them are followed. These are aimed at giving the Audit Committee a reasonable assurance on the reliability of financial reporting and statutory & regulatory compliances, effectiveness and efficiency of your Company's operations. The Internal Control Systems are reviewed periodically and revised to keep in tune with the changing business environment.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review company concentrated on manufacturing of Bars, beams, angle rods, flats, plate, coil, slab, billets etc. Production of bars, beams angle rods etc. during the year was 2123.554 MT. and sale was 2127.370 MT. Production of plate & coil during the year was 82377.933 MT and sales were 84928.293 MT. Production of Slab, billets Stainless Steel Flat etc. was 245.610 MT and sales was 3136.325 MT. Total production of all items taken together during the year decreased from 134763.730 MT to 84747.097 MT whereas total sales decreased from 134901.980 MT to 90191.978 MT.

During the year under review Total revenue from Operations and from other operating income decreased from ₹ 906.90 crores in the previous year to ₹ 639.10 crores. Company has registered a profit of ₹ 6.69 crores in comparison to the profit of ₹ 102.86 crores during previous year.

KEY FINANCIAL RATIOS STANDALONE OPERATION AS PER SEBI LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS (AMENDMENT) REGULATIONS, 2018

Ratio	Numerator	Denominator	As at 31 st March, 2023	As at 31 st March, 2022	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	0.52	0.57	-8%	Not applicable
Debt Equity Ratio	Borrowings	Share Holder's Equity	1.14	2.03	-44%	Due to substantial decrease in the Borrowings
Debt Service Coverage Ratio	Earnings available for debt Service (Refer Note i below)	Debt Service	0.26	1.12	-77%	Due to substantial decrease in the Net Profits
Return on Equity (ROE):	Net Profit after Taxes	Average Shareholder's Equity	10.94%	1690.13%	-99%	Due to decrease in profit for the year
Inventory Turnover Ratio	Cost of Material Consumed + Changes in WIP/ FG	Average Inventory	3.88	6.13	-37%	Due to substantial increase in inventory
Trade receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	43.52	64.43	-32%	Due to substantial increase in revenue
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	3.02	4.38	-31%	Due to Substantial increase in Purchases and Reduction in trade payables
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	(5.28)	(7.98)	-34%	Due to substantial decrease in the Revenue from Operation
Net Profit Ratio	Net Profit	Revenue from Operations	1.07%	11.69%	-91%	Due to substantial decrease in the Net Profits
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	5.73%	82.75%	-93%	Due to substantial decrease in the EBIT

Note i: Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT:

The human resource philosophy and strategy of your Company have been designed to attract and retain the best talent, creating a workplace environment that keeps employees engaged, motivated and encourages innovation. Your Company has fostered a culture that rewards continuous learning, collaboration and development, making it future ready with respect to the challenges posed by ever- changing market realities. Employees are your Company's most valuable asset and your Company's processes are designed to empower employees and support creative approaches in order to create enduring value. Your Company maintains a cordial relationship with its employees. Its emphasis on safe work practices and productivity improvement is unrelenting. Your Company has more than 682 employees on its permanent rolls as on 31st March, 2023.

DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has followed all relevant Indian Accounting Standards while preparing the financial statements.

CAUTIONARY STATEMENT: Statement in this "Management Discussion and Analysis" describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand and supply conditions, finished goods prices, input materials availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
SHAH ALLOYS LIMITED

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying standalone IND AS financial statements of **SHAH ALLOYS LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its Profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. For the Year ending on 31st March, 2023, the company has continued its practice of not making any provision of interest on loans from banks (excluding on the settlement entered with ARCs for specific loans which are assigned to them). Had the company made the provision of interest on loans from banks for the year ended on 31st March, 2023, the profit for the year would have been lower by ₹ 146.61 lakhs and current liabilities would have been higher to that extent. (Refer Note No. 33 of Standalone Financial Statements).
2. The Company has not assessed the impact of Effective Interest Method to the finance cost as per the requirement of Ind AS 109 'Financial Instruments and hence, the effect of the same, if any, on the financial results is not identifiable therefore, we are unable to comment upon its impact on the Financial results for the year ended 31st March, 2023. (Refer Note No. 42 of Standalone Financial Statements)
3. The Company has not evaluated the provisioning requirement of a loss allowance on its financial assets so as to give impact of impairment if any as per the expected credit loss method as per the requirement of Ind AS 109 'Financial Instruments' and hence, the effect of the same if any on the Financial Results is not identifiable therefore. We are unable to comment upon its impact on the financial results for the year ended 31st March, 2023. (Refer Note No. 43 of Standalone Financial Statements)

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

Emphasis of Matter

1. The capital work in progress of ₹ 900.50 lakhs comprises of the capital expenditure incurred by the Company in relation to a Cold Rolling Mill (CRM3), whose implementation has not been completed by the Company. However, the Company intends to implement the said project and to commence the operation within next 12 months. The Company has also prepared operating cash flows and based on the assumptions relating to commencement of the commercial production of the said CRM3. On this basis, in view of the management, no provision for impairment is required to be made in connection with the said capital work in progress asset. (Refer Note No. 43A of Standalone Financial Statements)

Our opinion is not modified on the basis of above matter.

Key Audit Matters:

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

Key Audit Matter

Description of Key audit Matter	Our response and results
<p>Litigations and claims (Refer note 36) to the standalone Ind AS financial statements)</p> <p>The cases are pending with multiple tax authorities like Service tax, Goods & Service tax and Excise, and there are claims against the company which have not been acknowledged as debt by the company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from claims of the customers not acknowledged as debt by the company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the standalone Ind AS financial statements is dependent on a number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the standalone Ind AS financial statements, is inherently subjective.</p> <p>We have considered Litigations and claims; a Key Audit Matter as it requires significant management judgement, including accounting estimates that involves high estimation uncertainty.</p>	<p>Our audit procedures, inter alia, included following:</p> <ul style="list-style-type: none"> - Discussed disputed litigation matters with the company's management. - Evaluated the management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management's correspondence/response including on the claims lodged by customers were used to assess the appropriateness of management's best estimate of the most likely outcome of each uncertain contingent liability. - Critically assessed the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone Ind AS financial statements. Also, assessed the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion: Based on the procedures described above, we did not find any material exceptions to the management's assertions and treatment, presentation & disclosure of the subject matter in the standalone Ind AS financial statements.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone IND AS Financial Statements

The statement has been prepared on the basis of Standalone Ind AS annual financial statement.

The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

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

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

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone IND AS financial statements, including the disclosures, and whether the standalone IND AS 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 standalone Ind AS 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 section 197(16) of the Act as amended , In our Opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and except for the matters described in the Basis for Qualified opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matter described in the Basis for Qualified opinion, paragraph above, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, standalone Statement of Changes in Equity and the standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of the matter described in Basis of Qualified opinion paragraph In our opinion, the aforesaid standalone INDAS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Company has disclosed the impact of pending litigations on its financial position in the standalone Ind AS Financial Statements (Refer Note No 36 to the Standalone Ind AS Financial Statements).
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared and paid any Interim dividend nor has proposed any final dividend during the previous year, and hence the question of Compliance and applicability of Section 123 of the Companies Act does not arise.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 23107628BHAMTN4326

Place: Ahmedabad
Date: 29-05-2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SHAH ALLOYS LIMITED Of even date)

With reference to the Annexure A, referred to in the Independent Auditors Report to the members of the Company on the Standalone IND AS financial statements for the year ended on 31st March 2023 , we report following :

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not hold any intangible assets. Accordingly, clauses 3(i) (a) (B) & (d) of the order are not applicable.
- (b) According to the information and explanations given to us, the property, plant and equipment are physically verified in a phased manner by the management during the year , which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties other than the self constructed property are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued any of its Property, Plant and Equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the inventories were physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. As explained to us, there were no discrepancies of 10% or more in aggregate for each class on physical verification of inventory as compared to the book records.
- (b) The Company has not been sanctioned working capital in excess of the limit of ₹ 5 crores during any point of time of the year in aggregate from a bank & financial institutions on the basis of security of the current assets. Hence, reporting under clause 3(ii) (b) of the order is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Accordingly, clause 3(iii) (a), (A) & (B), (b) (c), (d), (e) and (f) of the order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any investment or given guarantee or security during the year under review. Accordingly clause 3(iv) of the order is not applicable.
- v. The Company has not accepted any deposits from the public during the year under review. Accordingly, clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India for the maintenance of Cost records specified under section 148 of Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts & records have been made and maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) The company does not have liability in respect of Service Tax; Duty of excise, Sales tax and value added tax during the year since effective 1st July 2017, these statutory dues has been subsumed in to Goods & Service Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, ESIC, income-tax, duty of customs, Goods & Service Tax, cess and other material statutory dues have generally not been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanation given to us no undisputed amounts payable in respect of provident fund, ESIC, income-tax, Goods & Service Tax, duty of customs, cess and other statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date of becoming payable.

- (b) According to the information and explanations given to us, there are no material dues of Income tax & Duty of Customs which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Duty of Excise, Service Tax and Goods & Service Tax have not been deposited by the company on account of Dispute:

Sr. No.	Name of the statute	Nature of Dues	Financial year to which amount relates	From where the dispute is pending	Amount under dispute (Net of Payments) (₹ in Lakhs.)
1	Custom , Service tax and Excise	Service tax	January 2005 to July 2011	The Commissioner of Central Excise , Ahmedabad III	51.58
2	Custom , Service tax and Excise	Service tax	November 2012 to March 2013	The Addl. Commissioner of Central Excise , Ahmedabad III	1.71
3	Custom , Service tax and Excise	Service tax	2013-14	The Joint Commissioner of Central Excise , Ahmedabad III	1.48
4	Custom , Service tax and Excise	Excise duty	September 2010 to December 2013	Custom Excise and Service Tax , Appellate Tribunal, Ahmedabad	1909.76
5	Custom , Service tax and Excise	Service tax	December 2014 to May 2015	The Dy. Commissioner of Central Excise Division Kalol, Ahmedabad III	0.87
6	Custom , Service tax and Excise	Service tax	June 2015 to December 2015	The Asst. Commissioner of Central Excise & CGST, Div. Kalol	3.66
7	Custom , Service tax and Excise	Service tax	2012-13	The Dy. Commissioner of Central Excise & CGST, Division Kalol	10.11
8	Goods & Service Tax (GST)	State Goods & Service tax (SGST)	2017-18	Commissioner Appeal of State Tax, Ahmedabad	251.14
9	Goods & Service Tax (GST)	State Goods & Service tax (SGST)	2018-19	Additional/ Joint Commissioner Appeal of State Tax, Ahmedabad	17.27
10	Goods & Service Tax (GST)	State Goods & Service tax (SGST)	2019-20	Additional/ Joint Commissioner Appeal of State Tax, Ahmedabad	6.51

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. (a) According to information & explanations given to us, the company has defaulted in repayment of term loans & in the payment of interest to Bank during the year, as under :

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date (in Lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term Loan	HDFC BANK	1645.87	Principal	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date
Term Loan	HDFC BANK	877.89	Interest	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date

Except above the company has not defaulted in repayment of dues to Financial Institutions.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable .
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short- term basis of ₹ 909.97 lakhs have, prima facie, been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on overall examination of the records of the company, we report that the company has not taken any funds from any entity or person account of or to meet the obligations of its associates and therefore, reporting under clause 3(ix) (e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its associates and therefore, clause 3(ix) (f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not required.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of the entity.
- (b) We have considered, the internal audit reports for the year under audit , issued to the Company during the year and till date, in determining the nature , timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, 3(xvi) (a) and 3(xvi) (b) of the Order are not applicable.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve bank of India. Accordingly, 3(xvi)(c) of the Order is not applicable.
- (c) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.
- xvii. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us, On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations give to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx) (a) and (b) of the Order are not applicable.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 23107628BHAMTN4326

Place: Ahmedabad
Date: 29-05-2023

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SHAH ALLOYS LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of **SHAH ALLOYS LIMITED** (the “Company”) as of 31st March, 2023 in conjunction with our audit of the standalone IND AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to Standalone IND AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone IND AS Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to standalone financial statement were operating effectively as at 31st March, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 23107628BHAMTN4326

Place: Ahmedabad
Date: 29-05-2023

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2023

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
	ASSETS			
1)	Non-current assets			
a)	Property, Plant and Equipment	2	7298.52	8193.71
b)	Capital work-in-progress	2	900.50	900.50
c)	Financial Assets			
	(i) Investments	3	4127.05	3010.57
	(ii) Trade receivables	4	-	-
	(iii) Loans			
	(iv) Other Financial Assets	4A	721.03	710.04
d)	Deferred tax assets (net)	5	7205.46	7092.39
e)	Other non-current assets	6	184.08	147.82
2)	Current assets			
a)	Inventories	7	10878.81	11810.14
b)	Financial Assets			
	(i) Trade receivables	8	1504.44	1373.63
	(ii) Cash and cash equivalents	9	22.95	24.46
c)	Loans	10	9.78	7.61
d)	Other Financial assets		-	-
e)	Other current assets	11	666.20	1334.27
	TOTAL ASSETS		33518.83	34605.14
	EQUITY & LIABILITIES :			
	EQUITY:			
a)	Equity Share capital	12	1979.75	1979.75
b)	Other Equity	13	4503.23	3770.52
	LIABILITIES :			
1)	Non-Current Liabilities			
a)	Financial Liabilities			
	(i) Borrowings	14	367.73	1294.23
	(ii) Trade payables	15		
	Total outstanding dues of micro enterprises and small enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1603.75	1802.52
b)	Provisions	16	125.17	175.76
c)	Non-current liabilities		-	-
d)	Other non-current liabilities		-	-
2)	Current liabilities			
(a)	Borrowings	17	7001.56	10395.63
(b)	Trade payables	18		
	Total outstanding dues of micro enterprises and small enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		12415.60	11593.45
(c)	Other financial liabilities	19	877.89	877.89
(d)	Other current liabilities	20	4003.19	2159.10
(e)	Provision for Employee Benefits	21	640.96	556.29
	Total Equity and Liabilities		33518.83	34605.14

The accompanying Notes 1 to 61 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTN4326

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(M. No. : A54288)

[Rajendra V Shah]
Chairman
DIN- 0020904

[Mrinal Sinha]
Whole Time Director
DIN- 09482143

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

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I	Revenue from Operations	22	62625.63	88007.52
II	Other Income	23	1284.78	2682.59
III	Total Income (I +II)		63910.41	90690.11
IV	Expenses:			
	Cost of Materials Consumed	24	41478.83	61369.87
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	25	2573.13	-3469.18
	Employee Benefits Expenses	26	2420.05	2128.34
	Finance Costs	27	258.56	218.53
	Depreciation and Amortization Expense		895.01	1129.20
	Other Expenses	28	15750.20	16301.79
	Total Expenses (IV)		63375.79	77678.55
V	Profit before tax and Exceptional Item (III- IV)		534.62	13011.56
VI	Exceptional Item		-	-
VII	Profit before tax (V+VI)		534.62	13011.56
VIII	Tax expense :			
	(1) Current Tax		-	-
	(2) Deferred Tax		-134.46	2725.31
	Total Tax Expenses (VIII)		-134.46	2725.31
IX	Profit for the period (VII -VIII)		669.09	10286.25
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-85.02	3.90
	(ii) Income tax relating to items that will not be reclassified to profit or loss		21.40	-0.98
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income (X)		-63.62	2.92
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)		732.71	10283.33
XII	Earnings per equity share (Face Value of ₹ 10/- each)			
	Basic & Diluted	29	3.38	51.96

The accompanying Notes 1 to 61 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTN4326

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(M. No. : A54288)

[Rajendra V Shah]
Chairman
DIN- 0020904

[Mrinal Sinha]
Whole Time Director
DIN- 09482143

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

(Amount ₹ in Lakhs)

S. No.	Particulars	2022-23 Amount	2021-22 Amount
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	619.65	13,007.66
	Adjustments for :		
	Depreciation	895.01	1,129.20
	Loss / (Profit) on Sale of Assets	0.00	-
	Interest expenses	258.56	218.53
	Interest Income	(29.33)	(33.86)
		1,124.24	1,313.87
		1,743.89	14,321.53
	Operating Profit Before Working Capital Changes		
	Adjustments for :		
	Trade and other receivables	524.09	(708.04)
	Inventories	931.33	(4,741.82)
	Trade Payable and others (including non current liabilities)	2,501.56	(333.87)
		3,956.98	(5,783.73)
	Cash Generated From Operations	5,700.86	8,537.80
	Direct Taxes Paid	-	-
	Net Cash from Operating Activities before Extra Ordinary Items	5,700.86	8,537.80
	Extra-ordinary Items		
	Changes in non current assets	(36.26)	331.07
	Provision for diminution in value of long term investments	(1,116.48)	(2,075.63)
		(1,152.74)	(1,744.56)
	Net Cash from Operating Activities after Extra Ordinary Items(A)	4,548.12	6,793.25
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Sale of Fixed Assets	0.18	-
	Interest Income	29.33	33.86
		29.51	33.86
	Net Cash from Investing Activities(B)	29.51	33.86
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Long Term and Short Term Borrowings (Net)	(4,320.58)	(6,744.24)
	Interest Paid	(258.56)	(4,579.14)
		(218.53)	(6,962.77)
	Net Cash from Financing Activities(C)	(4,579.14)	(6,962.77)
	Net Increase in Cash and Equivalent.(A+B+C)	(1.51)	(135.66)
	Cash And Cash Equivalents as at the Beginning of the year	24.46	160.13
	Cash And Cash Equivalents as at the Close of the year	22.95	24.46

Note:

As per our Report of even date

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cashflows.

Cash and Bank Balances:	As at 31 st March, 2023	As at 31 st March, 2022
a) Balance with Banks :		
- In Current accounts	21.37	22.94
- In Deposit accounts	0.10	0.10
b) Cash on hand	1.48	1.42
Total	22.95	24.46

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTN4326

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(M. No. : A54288)

[Rajendra V Shah]
Chairman
DIN- 0020904

[Mrinal Sinha]
Whole Time Director
DIN- 09482143

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

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as at 1 st April 2022	1,979.75
Changes during the year	-
Balance as at 31 st March, 2023	1,979.75

Other Equity as at 1st April 2021

(Amount ₹ in Lakhs)

Particulars	Debenture Redemption Reserve	Securities Premium	Capital Reserve	Retained Earnings	Equity Instrument through OCI	Total
Balance at the beginning of the reporting period	-	502.61	56,136.84	(63,137.08)	15.18	(6,512.81)
Addition During the year	-	-	-	-	2.92	(2.92)
Profit for the year	-	-	-	10,286.25	-	10,286.25
Balance as at 31 st March 2022	-	502.61	56,136.84	(52,850.83)	18.10	3,770.52

Other Equity as at 1st April 2022

(Amount ₹ in Lakhs)

Particulars	Debenture Redemption Reserve	Securities Premium	Capital Reserve	Retained Earnings	Equity Instrument through OCI	Total
Balance at the beginning of the reporting period	-	502.61	56,136.84	(52,850.83)	18.10	3,770.52
Addition/ Deduction During the year	-	-	-	-	(63.62)	63.62
Profit for the year	-	-	-	669.09	-	669.09
Balance as at 31 st March 2023	-	502.61	56,136.84	(52,181.74)	(45.53)	4,503.23

The accompanying Notes 1 to 61 are integral part of these Standalone Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTN4326

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(M. No. : A54288)

[Rajendra V Shah]
Chairman
DIN- 0020904

[Mrinal Sinha]
Whole Time Director
DIN- 09482143

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES

1.1 CORPORATE INFORMATION

Shah Alloys Limited having CIN: L27100GJ1990PLC014698 is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange. The company is engaged in manufacturing and sale of Wide range of Stainless Steel, Alloys & Special Steel, Carbon / Mild Steel in Flat and Long products. The Company presently has manufacturing facilities at Santej, District: Gandhinagar (Gujarat)

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENT

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 – 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied consistently to all the periods presented in the financial statements.

The financial statements are presented in Indian Rupees in lakhs ('INR ₹ in lakhs). Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.3 USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect 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 year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

RECENT ACCOUNTING PRONOUNCEMENT:

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

Ind AS 1-Presentation of Financial Statements:

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of accounting estimates' and included amendments to IndAS8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12-IncomeTaxes:

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The effective date for adoption of these amendments is annual periods beginning on or after April1, 2023. The Company has evaluated the above amendments and there is no material impact on its standalone financial statement.

SIGNIFICANT ACCOUNTING POLICIES

The Company has applied following accounting policies to all periods presented in the Ind AS Financial Statement.

1.4 PROPERTY, PLANT AND EQUIPMENT

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental

expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.

- ii) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- iv) Property, Plant and Equipment are depreciated and/or amortized on as per the Straight line method on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- v) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use.
- vi) An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.
- vii) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
 - Buildings - 30 to 60 years
 - Plant and Equipments - 15 to 25 years
 - Furniture and Fixtures - 10 years
 - Vehicles - 8 to 10 years
 - Office Equipments - 5 years
 - Computers - 3 years
- viii) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.
- ix) Cost is reduced by accumulated depreciation and impairment and amount representing assets discarded or held for disposal.

1.5 INTANGIBLE ASSETS

- i) Intangible assets acquired by payment e.g. Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- iii) Intangible assets are amortized on straight-line method as follows :
 - Computer Software - 5 years
- iv) At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

1.6 REVENUE RECOGNITION

- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.
- ii) Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods and Service tax.
- iii) Services: Revenue from Services are recognized as and when the services are rendered.

- iv) Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- v) Export Benefits are accounted on accrual basis.

1.7 EMPLOYEE BENEFITS

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

1.8 VALUATION OF INVENTORIES

- i) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, Packing Material, Power & Fuel and Folders are valued at cost; and of those in transits and at port related to these items are valued at cost.
- iv) Goods-in-process is valued at lower of cost or net realizable value.
- v) Stock of Finished goods is valued at lower of cost or net realizable value.
- vi) Stock-in-trade is valued at lower of cost or net realizable value.

1.9 CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank, Cash / Cheques in hand and short term investments with an original maturity of three months or less.

1.10 FINANCIAL ASSETS

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables represent receivables for goods sold by the Company up to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance

is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.

- iv) A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

1.11 FINANCIAL LIABILITIES

- i) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- ii) Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iii) Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially and subsequently measured at amortized cost.
- iv) Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.12 FAIR VALUE MEASUREMENT

- i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.
- ii) The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii) A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- iv) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- v) The assets and liabilities which has been measured at fair value is Derivatives

1.13 FOREIGN CURRENCY TRANSACTIONS

- i) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.
- ii) Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

1.14 BORROWING COSTS

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

1.15 ACCOUNTING FOR TAXES ON INCOME

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.

- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences; the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.17 CURRENT AND NON-CURRENT CLASSIFICATION

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realized or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- iv) An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

1.18 RELATED PARTY TRANSACTIONS

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statements
 - (a) A person or a close member of that person's family is related to reporting entity if that person;
 - (i) Has control or joint control of the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

- (b) An entity is related to a reporting entity if any of the following conditions applies;
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)
 - (i) Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
 - ii) A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.
- Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.
- Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.
- Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.
- iii) Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on Financial Statements.

1.19 EARNINGS PER SHARE

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 LEASE

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

1.21 CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Standalone Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated

and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgments

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the standalone financial statements:

(i) Determination of Functional Currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

(ii) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

b) Assumptions and Estimation Uncertainties

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

(i) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has carried forward loss on which deferred tax asset is created, based on probability that future profits will be available against which the deductible temporary difference can be realized.

(ii) Useful lives of Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/ depreciable amount is charged over the remaining useful life of the assets.

(iii) Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(iv) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Group.

(v) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1.22 INVESTMENTS

Investment in quoted equity shares are stated at its fair value through Profit and loss account.

NOTE NO 2: PROPERTY, PLANT & EQUIPMENTS**TANGIBLE ASSETS :**

(Amount ₹ in Lakhs)

Particulars	Freehold Land	Factory Building	Office Building	Plant and Machinery	Laboratory Equipments	Vehicles	Office Equipments	Furniture & Fixtures	TOTAL
Cost of Assets									
As at 1st April 2021	689.99	2,276.72	326.92	51,672.69	49.17	296.84	210.23	197.24	55,719.79
Addition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at 31st March 2022	689.99	2,276.72	326.92	51,672.69	49.17	296.84	210.23	197.24	55,719.79
Addition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	-3.67	0.00	0.00	-3.67
As at 31st March 2023	689.99	2,276.72	326.92	51,672.69	49.17	293.17	210.23	197.24	55,716.12
Depreciation									
As at 1st April 2021	0.00	1347.26	69.36	44264.48	46.71	281.99	199.72	187.38	46,396.89
Charge for the year 2022	0.00	63.68	5.16	1060.36	0.00	0.00	0.00	0.00	1,129.20
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at 31st March 2022	0.00	1410.95	74.52	45324.83	46.71	281.99	199.72	187.38	47,526.09
Charge for the year 2023	0.00	62.58	5.16	827.26	0.00	0.00	0.00	0.00	895.01
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	-3.49	0.00	0.00	-3.49
As at 31st March 2023	0.00	1,473.53	79.67	46,152.10	46.71	278.50	199.72	187.38	48,417.61
Net Block									
As at 31st March 2022	689.99	865.77	252.40	6,347.86	2.46	14.85	10.51	9.86	8,193.71
As at 31st March 2023	689.99	803.19	247.24	5,520.59	2.46	14.66	10.51	9.86	7,298.52

DETAILS OF CAPITAL WORK-IN-PROGRESS (CWIP)

(Amount ₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2023					
Project in Progress	-	-	-	900.50	900.50
projects temporarily suspended					
As at 31st March 2022					
Project in Progress	-	-	-	900.50	900.50
projects temporarily suspended					

Notes:

- 1) Cost of Fixed Assets and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the Management.
- 2) Borrowing cost includes interest and other bank charges to the extent that they are regarded as an adjustment to interest costs which are directly related to the acquisition & construction of a qualifying asset.

NOTE NO : 3 INVESTMENTS

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Trade Investments- At FVTPL		
Quoted		
Investment in Equity instruments of Associate Company	3994.96	3994.96
3,02,56,989 Equity shares of Face value ₹ 10/- each in SAL Steel Limited (P.Y: 3,02,56,989 Equity shares)		
Less : Provision for Diminution/(increase) in value of Investment	-132.09	984.39
TOTAL	4127.05	3010.57

Note : (1) Aggregate amount of Quoted Investment and Market Value ₹ 4127.05 Lakhs as at 31st March 2023 (P.Y. ₹ 3010.57 Lakhs)

NOTE NO : 4 TRADE RECEIVABLES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Non-current Trade Receivable		
Unsecured,considered good	-	
Unsecured,considered doubtful	20.49	20.49
	20.49	20.49
Less : Provision for doubtful debts	20.49	20.49
	-	-

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					TOTAL
		LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(i) Undisuted							
Trade Receivables - Considered Good	-	-	-	-	-	-	-
(ii) Undisuted							
Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisuted							
Trade Receivables -credit imparied	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables							
Considered Good	-	-	-	-	-	20.49	20.49
(v) Disputed Trade Receivables							
Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables							
credit imparied	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	20.49	20.49
Less : Allowance for doubtful trade receivable	-	-	-	-	-	20.49	20.49
GRAND TOTAL	-	-	-	-	-	-	-

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					TOTAL
		LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(i) Undisputed							
Trade Receivables - Considered Good	-	-	-	-	-	-	-
(ii) Undisputed							
Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed							
Trade Receivables -credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables							
Considered Good	-	-	-	-	-	20.49	20.49
(v) Disputed Trade Receivables							
Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables							
credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	20.49	20.49
Less : Allowance for doubtful trade receivable	-	-	-	-	-	20.49	20.49
GRAND TOTAL	-	-	-	-	-	-	-

NOTE NO : 4A OTHER FINANCIAL ASSETS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Security Deposit		
Unsecured,considered good	721.03	710.04
	721.03	710.04

NOTE NO : 5 DEFERRED TAX ASSETS (NET)

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Deferred tax Assets (Net)	7205.46	7092.39
TOTAL	7205.46	7092.39
DEFERRED TAX ASSETS		
Unabsorbed Depreciation and Business Loss	7796.85	7802.45
On account of disallowances under the Income tax act, 1961	433.98	438.25
Gross deferred tax asset (A)	8230.83	8240.70
Deferred tax liabilities		
Fixed Asset: Impact of difference between tax depreciation and depreciation charged for the financial reporting	1025.37	1148.31
Gross deferred tax liability (B)	1025.37	1148.31
Net Deferred tax (A-B)	7205.46	7092.39

NOTE NO : 6 OTHER NON-CURRENT ASSETS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured,Considered Good		
(a) Loans & Advance Recoverable in cash or in kind	23.39	77.48
(b) Advances to Supplier	2.43	11.45
(c) Advance Income Tax , TDS & TCS	146.06	46.69
(d) Balance with Govt. Authorities	12.20	12.20
TOTAL	184.08	147.82

NOTE NO : 7 INVENTORIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(Inventories are taken, valued and certified by the management)		
(a) Raw Materials	2080.03	2112.09
(b) Work in progress	3696.39	5018.92
(c) Finished goods	2028.55	3279.15
(d) Stores and spares	3073.84	1399.98
TOTAL	10878.81	11810.14

NOTE NO : 8 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, considered good	1504.44	1373.63
Doubtful	-	-
	1504.44	1373.63
Less : Provision for Doubtful trade Receivables.	-	-
	1504.44	1373.63

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	1,004.65	499.80	-	-	-	-	1,504.44
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	
GRAND TOTAL	1,004.65	499.80	-	-	-	-	1,504.44

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	650.03	690.19	33.41	-	-	-	1,373.63
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	
GRAND TOTAL	650.03	690.19	33.41	-	-	-	1,373.63

NOTE NO : 9 CASH AND CASH EQUIVALENTS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(a) Balances with Scheduled Banks		
On current Account	21.37	22.94
(b) Short Term Deposit with Scheduled Banks	0.10	0.10
(c) Cash on hand	1.48	1.42
TOTAL	22.95	24.46

NOTE NO : 10 LOANS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
Loans and Advances to Employees	9.78	7.61
	9.78	7.61

NOTE NO : 11 OTHER CURRENT ASSETS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, considered good		
Balance with government authorities	81.66	926.04
Advance to Suppliers	530.78	406.60
Prepaid Expenses	53.76	1.63
	666.20	1334.27

NOTE NO : 12 SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Authorised :		
3,50,00,000 Equity Shares of ₹ 10/- each	3500.00	3500.00
(Previous year : 3,50,00,000 Equity Shares of ₹ 10/- each)		
	3500.00	3500.00
Issued & Subscribed and Paid up :		
1,97,97,540 Equity Shares of ₹ 10/- each fully paid up	1979.75	1979.75
(Previous year : 1,97,97,540 Equity Shares of ₹ 10/- each fully paid up)		
TOTAL	1979.75	1979.75

a) Reconciliation of number of shares

Equity Shares	As at 31 st March, 2023		As at 31 st March, 2022	
	Number of shares	Amount ₹ in lakhs	Number of shares	Amount ₹ in lakhs
Shares outstanding at the beginning of the year	1,97,97,540	1979.75	1,97,97,540	1979.75
Changes during the Year	-	-	-	-
Shares Outstanding at the end of the year	1 97 97 540	1979.75	1 97 97 540	1979.75

b) Terms/rights, preferences and restrictions attached to securities:**Equity shares:**

The company has one class of equity share having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Shareholders holding more than 5% in the Company:

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
Mr. Rajendra V. Shah #	94 44 364	47.71%	94 44 364	47.71%
Mrs. Ragini R. Shah	11 46 006	5.79%	11 46 006	5.79%

including 7.74 % shares held as Karta of HUF

d) Shareholding of Promoters

Name of Promoters	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year	% change during the year
	No of shares	% of total shares	No of shares	% of total shares	No of shares	% of total shares
RAJENDRABHAI V SHAH (HUF)	1531960	7.74	1531960	7.74	-	-
RAGINI RAJENDRABHAI SHAH	1146006	5.79	1146006	5.79	-	-
SHAH JAYESHKUMAR VIJAYKUMAR	16000	0.08	21000	0.11	(5,000.00)	(0.03)
RAJENDRABHAI V SHAH	7912404	39.97	7912404	39.97	-	-
ASHVIN V SHAH	34072	0.17	32940	0.17	1,132.00	0.01
Total	10640442	53.75	10644310	53.77		

NOTE NO : 13 OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	31.03.2023 Amount		31.03.2022 Amount	
Securities Premium Account				
Opening Balance	502.61		502.61	
Add : Addition during the year	-		-	
		502.61		502.61
Capital Reserve				
Opening Balance	56136.84		56136.84	
Add : Addition during the year	-		-	
		56136.84		56136.84
Retained Earnings				
Balance Brought Forward From Previous Year	-52850.83		-63137.08	
Add: Profit/(Loss) for the year	669.09	-52181.75	10286.25	-52850.83
Other Comprehensive Income/(Expenses)				
Re-measurement of the defined benefit plans				
Opening Balance	18.10		15.18	
Add: Addition during the year	-63.62		2.92	
Closing Balance		-45.52		18.10
TOTAL		4503.23		3770.52

Purpose of Reserve

Security Premium : Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained Earnings are the profits and gains that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

Capital Reserve : The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

NOTE NO : 14 BORROWINGS

(Amount ₹ in Lakhs)

Particulars	31.03.2023 Amount		31.03.2022 Amount	
(A) SECURED :				
Term Loans				
a) From Banks	-		-	
b) From Financial Institutions	-	-	926.50	926.50
(B) UNSECURED:				
Loans & Advances from related parties				
- From Director		367.73		367.73
TOTAL		367.73		1294.23

(A) SECURED :**Term Loan from Bank / Financial Institution:**

First Mortgage and charge on the company's all immovable and movable properties (other than working capital assets), both present and future, ranking pari-passu with all term lenders.(except Punjab National Bank's Corporate loan which has exclusive charge on 26,00,000 shares of Shah Alloys Limited. Thus First charge on fixed assets is not extended to Punjab national bank over the Corporate loan) Second charges on WC assets of the company. Pledge of promoter's entire shareholding ranking pari passu with all CDR lenders except for 26,00,000 shares on which Punjab national bank has exclusive charge . Unconditional and irrevocable personal guarantee of the promoter-director Shri Rajendra Shah.

Details of default existing at Balance Sheet date :

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date(in Lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term Loan	HDFC BANK	1645.87	Principal	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date
Term Loan	HDFC BANK	877.89	Interest	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date

Except above the company has not defaulted in repayment of dues to Financial Institutions

NOTE NO : 15 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	31.03.2023	31.03.2022
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	1603.75	1802.52
	1603.75	1802.52

(Refer Note No.18a of Notes forming part of Standalone financial Statement)

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	10.30	24.45	1,569.00	1,603.75
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	10.30	24.45	1,569.00	1,603.75

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	222.39	13.38	1,566.75	1,802.52
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	222.39	13.38	1,566.75	1,802.52

NOTE NO : 16 LONG TERM PROVISIONS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Provision for Gratuity	125.17	175.76
	125.17	175.76

NOTE NO : 17 BORROWINGS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured		
Inter Corporate Deposits	5355.68	2555.00
Current maturities of long-term debt	-	6194.75
Other Payables to Bank	1645.88	1645.88
TOTAL	7001.56	10395.63

NOTE NO : 18 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	31.03.2023	31.03.2022
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	12415.60	11593.45
	12415.60	11593.45

(Refer Note No.18a of Notes forming part of Standalone financial Statement)

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	1,937.28	10,478.32	-	-	-	12,415.60
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	1,937.28	10,478.32	-	-	-	12,415.60

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	4,893.82	6,699.63	-	-	-	11,593.45
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	4,893.82	6,699.63	-	-	-	11,593.45

NOTE NO. :18A TRADE PAYABLES - TOTAL OUTSTANDING DUES OF MICRO & SMALL ENTERPRISES*

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
a) The Principal amount and Interest due there on remaining unpaid as at year end: Principal	-	-
b) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Interest accrued and remain unpaid as at year end	-	-
e) Further Interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises	-	-

*Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

NOTE NO : 19 OTHER FINANCIAL LIABILITIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest accrued and due on borrowings	877.89	877.89
TOTAL	877.89	877.89

NOTE NO : 20 OTHER CURRENT LIABILITIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Advance from customers	2306.03	25.01
Duties and taxes	569.74	859.63
Credit baalance in current account with Schedule banks (Book over draft)	1127.41	1274.46
TOTAL	4003.19	2159.10

NOTE NO : 21 PROVISION FOR EMPLOYEE BENEFITS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Gratuity	43.01	57.53
Salary, Wages and Bonus Payable.	597.95	498.76
TOTAL	640.96	556.29

NOTE NO : 22 REVENUE FROM OPERATIONS

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
I. Sale of Products				
Direct Export Turnover	77.15		1344.47	
Domestic Turnover	62305.28	62382.43	86638.12	87982.59
II. Sale of service				
Technical Consultancy Service Income (TDS RS 3.30 Lacs P Y ₹ Nil)	165.00		-	
- Commission income (TDS ₹ 1.25 Lacs PY ₹ Nil)	25.00		-	
- Job work Income (TDS ₹ 1.04 Lacs PY ₹ Nil)	51.88	241.88	-	-
III. Other Operating Revenues				
Export Incentives- Duty Draw Back		1.32		24.93
Total Revenue from operations		62625.63		88007.52

NOTE NO : 23 OTHER INCOME

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest Income (TDS ₹ 2.93 Lakhs P.Y. ₹ 3.38 Lakhs)	29.33	33.86
Foreign exchange fluctuation Gain (Net)	10.76	26.01
Sundry balances written back (Net)	128.21	18.33
Electricity Refund	-	528.76
Gain on Fair value of investments (Non operating Income)	1116.48	2075.63
TOTAL	1284.78	2682.59

NOTE NO : 24 COST OF MATERIALS CONSUMED:

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening Stock of Raw Material	2112.09	1629.01
Add : Purchases	41446.77	61852.95
	43558.86	63481.96
Less : Closing Stock of Raw Material	2080.03	2112.09
TOTAL	41478.83	61369.87

NOTE NO : 25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
Opening Stock				
Finished Goods	3279.15		2408.73	
Stock-in-Progress	5018.92	8298.07	2420.16	4828.89
Less : Closing Stock				
Finished Goods	2028.55		3279.15	
Stock-in-Progress	3696.39	5724.94	5018.92	8298.07
Increase/(Decrease) in Stock of Finished Goods & Stock-in-Progress		2573.13		-3469.18

NOTE NO : 26 EMPLOYEE BENEFITS EXPENSES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Salary & Bonus	2288.49	1989.69
Contribution to Provident Fund etc.	66.11	68.22
Staff welfare expenses	65.45	70.43
TOTAL	2420.05	2128.34

NOTE NO : 27 FINANCE COSTS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest to Others	258.56	218.53
TOTAL	258.56	218.53

NOTE NO : 28 OTHER EXPENSES

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
Stores & Spares Consumed :				
Opening Stock	1399.98		610.43	
Add : Purchases	7475.83		7659.79	
	8875.81		8270.22	
Less: Closing Stock	3073.84	5801.97	1399.98	6870.24
Power & fuel		8021.55		7296.96
Factory Labour expense		1124.61		1294.47
Factory Expenses		70.41		100.01
Repairs & Maintenance :				
Machinery	160.52		239.83	
Building	3.25		2.73	
Others	3.36	167.13	0.76	243.32
Selling costs		37.06		23.28
Packing Cost		10.41		1.88
Freight outward expenses		56.96		191.69
Travelling, Conveyance and Vehicle Expenses		40.11		25.23
Legal, Consultancy and Professional Fees		185.09		94.75
Miscellaneous expenses		24.90		33.04
Advertisement, Stationery and Communication		27.43		21.71
Payment to Auditors #		10.00		10.00
Rates and Taxes		17.63		35.90
Insurance		22.47		22.07
Bank Charges		2.37		2.39
Donation		2.50		2.00
CSR expenses		127.60		32.85
TOTAL		15750.20		16301.79

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
As auditors - Statutory audit	10.00	10.00
For other Services	-	-
	10.00	10.00

NOTE NO : 29 EARNINGS PER SHARE

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Basic/Diluted Earnings per Share		
Number of Equity Shares at the beginning of the year (Lakhs)	197.98	197.98
Number of Equity Shares allotted during the year (Lakhs)	-	-
Number of Equity Shares at the end of the year (Lakhs)	197.98	197.98
Weighted average number of equity shares		
Profit for the year (after tax,available for equity shareholders)	669.09	10286.25
Basic and Diluted Earnings Per Share in ₹	3.38	51.96

30. SEGMENT REPORTING

The company's operation falls under single segment namely "IRON & STEEL- "and hence segment information as required by INDAS 108 "Operating Segment is not applicable. All assets are located in the company's country of domicile)

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31 st March 2023	Year Ended on 31 st March 2022
Revenue from		
- Outside India	77.15	1344.47
- In India	62548.47	86663.04

One customer M/s Keshar Metal contributed 10% or more to the company's revenue for 2022-23 and 2021-22.

31. FINANCIAL AND DERIVATIVE INSTRUMENTS**Capital Management**

The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Accounting policies as stated above

(i) Categories of Financial Instruments

(Amount ₹ in Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Financial Assets		
Measured at Amortized Cost		
(i) Trade and Other Receivables	1504.44	1373.63
(ii) Cash and Cash Equivalents	22.95	26.46
(iii) Loans	9.78	7.61
(iv) Other Financial Assets	-	-
(v) Investments at FVTPL	4127.05	3010.57
Financial Liabilities		
Measured at Amortized Cost		
(i) Borrowings	7369.29	11689.86
(ii) Trade Payables	14019.35	13395.97
(iii) Other Financial Liabilities	877.89	877.89

(ii) Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(iii) Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Interest Rate Risk

The Company's interest rate risk arises from the Long Term Borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortized cost.

Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount ₹ in Lakhs)

Particulars	Due in 1 Year	1 Year - 3 Years	More than 3 Years	Total
As at 31 st March, 2023				
Borrowings	7001.56	367.73	--	7369.29
Trade Payables	12415.60	1603.75	--	14019.35
Other Financial Liabilities	877.89	-	--	877.89
As at 31 st March, 2022				
Borrowings	10395.63	1294.23	--	11689.86
Trade Payables	11593.45	1802.52	--	13395.97
Other Financial Liabilities	877.89	-	--	877.89

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 8 as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

The Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables. The Company has analysed its trade receivables for gaining analysis and grouped them accordingly and then applied ear wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

Movement in the expected Allowance for Credit Loss in respect of Trade Receivables

(₹ in lakhs)

Particulars	March 31, 2023	March 31, 2022
Balance at beginning of the year	20.49	20.82
Add: Provided during the year	--	--
Less: Reversals of provision	--	0.33
Less: Amounts written back	--	--
Balance at the end of the year	20.49	20.49

The Company has a detailed review mechanism of overdue customer receivables at various levels within organization to ensure proper attention and focus for realization.

(Amount ₹ in Lakhs)

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2023				
Investments (At FVTPL)	--	--	4127.05	4127.05
Loans	9.78	--	--	9.78
Other Financial Assets	--	--	---	-
Cash & Cash Equivalent	22.95	--	--	22.95
Trade Receivables	1504.44	--	--	1504.44

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2022				
Investments (At FVTPL)	--	--	3010.57	3010.57
Loans	7.61	--	--	7.61
Other Financial Assets	--	--	---	-
Cash & Cash Equivalent	24.46	--	--	24.46
Trade Receivables	1373.63	--	--	1373.63

(a) For hedging currency

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Outstanding Forward Contract	NIL	NIL

32. DISCLOSURES REGARDING EMPLOYEE BENEFITS

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures are given below:

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

(Amount ₹ in Lakhs)

Particulars	2022-23	2021-22
Employers contribution to provident fund	66.11	68.22

- (i) Defined Contribution Plan: Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organization established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.
- (ii) Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

- (iii) Major risk to the plan

I have outlined the following risks associated with the plan:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(iv) Defined Benefit Cost

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Current Service Cost	29.11	31.69
Net Interest Cost	13.70	11.61
Defined Benefit Cost included in Profit and Loss	42.81	43.30
Defined Benefit Cost included in Other Comprehensive Income	-85.02	3.90
Total Defined Benefit Cost in Profit and Loss and OCI	-42.21	47.20

(v) Movement in Defined benefit liability:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Opening Defined Benefit Obligation	233.29	209.91
Interest Expense on Defined Benefit Obligation (DBO)	13.70	11.61
Current Service Cost	29.11	31.69
Total Re-measurements included in OCI	-85.02	3.90
Less: Benefits paid	22.90	23.82
Less: Contributions to plan assets	-	-
Closing benefit obligation	168.18	233.29

(vi) Sensitivity Analysis of Defined Benefit Obligation:

(Amount ₹ in Lakhs)

	2022-23	2021-22
(A) Discount rate Sensitivity		
Increase by 0.5%	163.84	227.34
(% change)	-2.58%	-2.55%
Decrease by 0.5%	172.76	239.57
(% change)	2.73%	2.69%

	2022-23	2021-22
(B) Salary growth rate Sensitivity		
Increase by 0.5%	172.80	239.58
(% change)	2.74%	2.70%
Decrease by 0.5%	163.77	227.28
(% change)	-2.62%	-2.57%
(C) Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	168.10	232.95
(% change)	-0.05%	-0.15%
W.R. x 90%	168.20	233.59
(% change)	0.01%	0.13%

(vii) **Principle Actuarial assumptions:**

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Discount Rate	7.35%	6.70%
Salary Growth Rate	6.00%	6.00%
Withdrawal rate	30% at younger ages reducing to 5% at older ages	30% at younger ages reducing to 5% at older ages

(viii) The above details are certified by the actuary.

33. For the year ending on 31st March, 2023, the company has discontinued to make the provision of interest on loans from banks (excluding on the settlement entered with ARCs for specific loans which are assigned to them) amounting to ₹ 146.61 lakhs.

34. The Company has long term investment in the shares of SAL Steel Limited amounting to ₹ 3,994.96 Lakhs. There is major movement in the prices of stock in share market such circumstances indicate that there is increase, other than temporary, in the value of a long term investment. And as a result, we have accounted for investment in shares of SAL Steel Ltd at market rate of shares @ ₹ 13.64 per share increase the value of investment to ₹ 4127.05 Lakhs and provided for ₹ 1116.48 Lakhs as notional gain in the value of investment in books of accounts.

35. FOREIGN CURRENCY EXPOSURE AT THE YEAREND NOT HEDGED BY DERIVATIVE INSTRUMENTS.

Particulars	As at 31-03-2023	As at 31-03-2022
Advance Payment to Suppliers		
Rupees in Lakhs	14.44	32.76
US Dollar in Lakhs	0.18	0.46
Sundry Creditors for goods		
Rupees in Lakhs	-	169.44
US Dollar in Lakhs	-	2.23
Advance From Customers		
Rupees in Lakhs	-	0.92
US Dollar in Lakhs	-	0.01
Sundry Debtors		
Rupees in Lakhs	-	26.73
US Dollar in Lakhs	-	0.35

36. CONTINGENT LIABILITIES:

- (1) Claims against the Company not acknowledged as debts

Particulars
1. Disputed Excise, Service Tax Demand Matter Under Appeal ₹ 1979.17 Lakhs (P.Y. ₹ 2009.74 Lakhs)
2. Disputed Goods & Service Tax Demand Matter Under Appeal ₹ 274.92 Lakhs(PY ₹ 480.80 Lakhs)
Claim against the company not acknowledged as debt – Claim by parties/ Financial Institution ₹ 52491.44 Lakhs (P.Y 52491.44 Lakhs) Bank / Financial Institutions ₹ Nil (P Y ₹ 59014.31 Lakhs)

Note:

- (a) It is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.
- (b) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

- (2) Corporate Guarantee given to consortium Bank for SAL Steel Ltd. ₹ NIL (P.Y. ₹ 20750.00 Lakhs)

37. Certain Balance of Debtors, Creditors, are non- moving / sticky since last 3 years. However in view of the management, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
38. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
39. The company has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the Company, the same are reconciled and appropriate adjustments if required, are made in the books of account

40. RELATED PARTY DISCLOSURES:

List of Related Parties and Relationships:

i. Concern where significant interest exists.

Sr. no	Name of the Concern	Nature of Relationship
1	SAL Steel Limited	Associate
2	SAL Corporation Pvt. Ltd	Enterprise with significant influence
3	SAL Care Pvt Ltd	Enterprise with significant influence
4	SAL Pharmacy (A Division of SAL Corporation Pvt. Ltd.)	Enterprise with significant influence
5	SAL Hospital & Medical Institute (A Division of SAL Care Pvt Ltd.)	Enterprise with significant influence
6	SAL Institute of Technical & Engineering Research (A Division of Adarsh Foundation)	Enterprise with significant influence
7	SAL Institute of Pharmacy (A Division of Adarsh Foundation)	Enterprise with significant influence
8	SAL Institute of Management (A Division of Adarsh Foundation)	Enterprise with significant influence
9	Adarsh Foundation	Enterprise with significant influence
10	SAL College of Engineering (A Division of Adarsh Foundation)	Enterprise with significant influence

(Related Parties have been identified by the Management)

1	Mr. Rajendra V. Shah	Chairman
2	Mr. Ashok Sharma	Whole Time Director & CFO
3	Mr. Mrinal Sinha	Whole Time Director
4	Mr. Prakashkumar Ramanlal Patel	Whole Time Director
5	Mr. Vinay Kumar Mishra (Till 20.04.23)	Company Secretary
6	Mr. Mayank Chadha (From 29.5.23)	Company Secretary

(Related Parties have been identified by the Management)

i) Disclosure of Related Party Transactions (Amount ₹ In lakhs)

Sr. No.	Nature of Transaction	Parties mentioned at a (i) above		Key management personnel	
		2022-23	2021-22	2022-23	2021-22
1	Purchase of goods & Services	20727.43	27465.18		
2	Purchase of Power	2390.43	3398.01		
3	Sales of Goods & Services	278.33	176.07		
4	Interest Paid	217.41	169.15		
5	Loan Availed	2963.51	2180.00		
6	Loan Repaid	162.83	1105.00		
7	Remuneration			73.38	24.57
8	CSR	127.60	32.85		

(iv) Disclosures of material transactions with related parties during the year:

Sr. No.	Description	Related Parties	2022-23 (PY 2021-22)	Balance outstanding as at 31.03.2023 (PY 31.03.2022)
1	Purchase of Goods & Services	SAL Steel Ltd	20702.85	6876.71
			(27452.47)	(5360.85)
		SAL Pharmacy	-	-
			(0.25)	(26.93)
		SAL Hospital & Medical Institute	24.58	40.84
			(12.46)	(18.66)
2	Purchase of power	SAL Steel Ltd	2390.43	-
			(3398.01)	(-)
3	Sales of goods & Services	SAL Steel Ltd	278.33	-
			(136.22)	(-)
		SAL Corporation Pvt.Ltd	-	-
			(39.85)	(-)
4	Interest Paid	SAL Care Pvt. Ltd	217.41	208.53
			(169.15)	(165.03)
5	Remuneration to Key Management Personnel	Mr. Ashok Sharma	19.20	-
			(12.60)	(-)
		Mr. Mrinal Sinha	27.00	-
			(2.25)	(-)
		Mr. Prakashkumar Ramanlal Patel	16.73	-
			(1.40)	(-)
6	Loan Availed	SAL Care Pvt. Ltd.	2963.51	5366.68
			(2180.00)	(2555.00)
		Mr. Rajendra V Shah	-	367.73
			(-)	(367.73)
7	Loan Repaid	SAL Care Pvt. Ltd.	162.83	-
			(1105.00)	(-)
8	CSR	Adarsh Foundation	127.60	-
			(32.85)	(-)

The remuneration of directors and other members of Key management personal during the year are as follows:

(Amount ₹ in Lakhs)

Particulars	2022-23	2021-22
Short term Benefits	73.38	24.57

41. Previous year figures have been re-grouped / rearranged, wherever necessary to make them comparable with those of current year
42. The Company has not assessed the impact of Effective Interest Method to the finance cost as per the requirement of Ind AS 109 'Financial Instruments and hence, the effect of the same, if any, on the financial results is not identifiable.
43. The Company has not evaluated the provisioning requirement of a loss allowance on its financial assets so as to give impact of impairment if any as per the expected credit loss method as per the requirement of Ind AS 109 'Financial Instruments' and hence, the effect of the same if any on the Financial Results is not identifiable.
- 43A The capital work in progress of ₹ 900.50 lakhs comprises of the capital expenditure incurred by the Company in relation to a Cold Rolling Mill (CRM3), whose implementation has not been completed by the Company. However, the Company intends to implement the said project and to commence the operation within next 12 months. The Company has also prepared operating cash flows and based on the assumptions relating to commencement of the commercial production of the said CRM3. In view of the management, no provision for impairment is required to be made in connection with the said capital work in progress asset.
44. In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31st March, 2023.
45. The financial statements were authorized for issue by the directors on 29th May, 2023.
46. **Corporate Social Responsibility contribution-**

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Promoting education, including special education and employment enhancing vocation skill and other activities as mentioned in Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

(₹ In Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1) Amount required to be spent by the company during the year	127.59	32.56
2) Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	127.59	32.85
3) Shortfall at the end of the year	-	-
4) Total of previous years shortfall	-	-
5) Reason for shortfall (**)	-	-
6) Nature of CSR activities	Contribution towards promotion and imparting of education , including special education , learning and employment.	
7) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard(*)	127.60	32.85
8) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

(*) Represents contribution to Adarsh Foundation

47A RATIO ANALYSIS

Ratio	Numerator	Denominator	As at 31 st March, 2023	As at 31 st March, 2022	Variation	Reasons
Current Ratio	Current Assets	Current Liabilities	0.52	0.57	-8%	
Debt Equity Ratio	Borrowings	Share Holder's Equity	1.14	2.03	-44%	Due to substantial decrease in the Borrowings
Debt Service Coverage Ratio	Earnings available for debt Service (Refer Note i below)	Debt Service	0.26	1.12	-77%	Due to substantial decrease in the Net Profits
Return on Equity (ROE):	Net Profit after Taxes	Average Shareholder's Equity	10.94%	1690.13%	-99%	Due to decrease in profit for the year
Inventory Turnover Ratio	Cost of Material Consumed + Changes in WIP/ FG	Average Inventory	3.88	6.13	-37%	Due to substantial increase in inventory
Trade receivable Turnover Ratio	Revenue from Operations	Average Trade Receivables	43.52	64.43	-32%	Due to substantial increase in revenue
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	3.02	4.38	-31%	Due to Substantial increase in Purchases and Reduction in trade payables
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	(5.28)	(7.98)	-34%	Due to substantial decrease in the Revenue from Operation
Net Profit Ratio	Net Profit	Revenue from Operations	1.07%	11.69%	-91%	Due to substantial decrease in the Net Profits
Return on Capital Employed	Earning Before Interest and Tax	Capital Employed	5.73%	82.75%	-93%	Due to substantial decrease in the EBIT

Note i: Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

47B IND AS 115- ILLUSTRATIVE DISCLOSURES

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from contracts with customers	62,625.63	88,007.52
Total revenue	62,625.63	88,007.52

Revenue is recognized upon transfer of control of products to customers

(a) Disaggregation of revenue from contract with customers

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from		
- Outside India	77.15	1,344.47
- In India	62,548.48	86,663.05

One customer M/s Keshar Metal contributed 10% or more to the company's revenue for 2022-23 and 2021-22.

(b) Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Contract Assets	1,504.44	1,373.63
Total contract assets	1,504.44	1,373.63
Contract liability	2,306.03	25.01
Total contract liabilities	2,306.03	25.01

(c) Performance obligations

The performance obligation is satisfied upon delivery of the finished goods and payment is generally due within 1 to 3 months from delivery. The performance obligation to deliver the finished goods is started after receiving of sales order. The customer can pay the transaction price upon delivery of the finished goods within the credit period, as mentioned in the contract with respective customer.

NOTE NO - 47C TAX RECONCILIATION

Income taxes recognised in Statement of Profit and Loss

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Current tax		
In respect of the current year	-	-
(Excess)/Short provision for tax of earlier years	-	-
Deferred tax(credit) /Charged	(134.46)	2,725.31
Total income tax expense recognised in respect of continuing operations	(134.46)	2,725.31

Tax reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before taxes	534.62	13,011.56
Enacted tax rate in India	25.168%	25.168%
Expected income tax benefit/(expense) at statutory tax rate	-	-
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	134.55	3,274.75
Non deductible expenses for Tax Purpose	259.62	328.81
Deductible Expenses for Tax purposes	394.17	3,603.56
Effect of:		
Deferred tax(credit) /Charged	(134.46)	2,725.31
Income taxes recognised in the Statement of Profit and Loss	(134.46)	2,725.31

The tax rate used 22% plus surcharge @ 10% and cess @ 4% payable by corporate entities in India on taxable profits under the Indian tax laws.

Income tax recognised in other comprehensive income

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	21.40	(0.98)
Total income tax recognised in other comprehensive income	21.40	(0.98)
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	21.40	(0.98)
Income tax recognised in other comprehensive income	21.40	(0.98)

Note: Deferred tax liability has been calculated using effective tax rate 25.168 %

Components of deferred tax assets and liabilities

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
(A) Deferred tax assets		
Disallowances of employee benefits u/s. 43B of the Income Tax	433.98	438.25
Unabsorbed loss	7,796.85	7,802.45
	8,230.83	8,240.71
(B) Deferred tax Liabilities		
Difference between book and tax depreciation	1,025.37	1,148.31
	1,025.37	1,148.31
Deferred Tax Assets (Net)	7,205.46	7,092.39

48. UNDISCLOSED TRANSACTIONS

As stated & confirmed by the Board of Directors, The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

49. BENAMI TRANSACTIONS

As stated & confirmed by the Board of Directors, The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

50. LOAN OR INVESTMENT TO ULTIMATE BENEFICIARIES

As stated & Confirmed by the Board of Directors, The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

51. LOAN OR INVESTMENT FROM ULTIMATE BENEFICIARIES

As stated & Confirmed by the Board of Directors, The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

52. WILLFUL DEFAULTER

As stated & Confirmed by the Board of Directors, The company has not been declared willful defaulter by the bank during the year under review.

53. TRANSACTIONS WITH STRUCK OFF COMPANIES

As stated & Confirmed by the Board of Directors, The company has not under taken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Act or under Section 560 of Companies act 1956.

54. SATISFACTION OF CHARGE

As informed by the Management there are no charges which are yet to be registered or yet to be satisfied with Registrar of Companies beyond statutory period. However, while caring out search on MCA portal, following charges are yet to be satisfied beyond the statutory period, details of which are as under :

Sr. No.	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Date of Satisfaction	Amount (₹ In Lakhs)	Address
1	A64155450	10162596	BANK OF MAHARASTRA	27-04-2009	-	-	3694.00	LOKMANGAL1501, SHIVAJI NAGAR PUNE MH411005
2	A11270873	10038852	Industrial Development bank of India Limited	14-02-2007	-	-	2500.00	IDBI Complex, Near Lal Bunglow, Off C G Road, Ahmedabad 380006
3	A05581061	10022445	IDBI TRUSTEESHIP SERVICES LIMITED	20-10-2006	-	-	10,000.00	Asian Bldg., Ground Floor, 17, R.Kamani Marg, Ballard Estate, MUMBAI- 400001
4	Y10439353	90316274	THE LIFE INSURANCE CORPORATION OF INDIA	13-02-2004	29-09-2005	-	1000.00	YOGAKSHEMA JEEVAN BIMA MARG MUMBAI
5	Y10194920	90105228	BANK OF MAHARASHTRA	29-03-2003	29-07-2004	-	1500.00	BHADRA BRANCH LAL-DARWAJA AHMEDABAD
6	Y10194854	90105162	UNION BANK OF INDIA	11-05-2002	29-07-2004	-	500.00	INDUSTRIAL FINANCE BRANCH AHMEDABAD
7	Y10194734	90105042	UNION BANK OF INDIA	16-01-2001	29-07-2004	-	500.00	INDUSTRIAL FINANCE BRANCH AHMEDABAD
8	Y10196071	90106379	IDBI BANK LTD.	30-10-1999	-	-	1250.00	SARAF HOUSE; M.I.ROAD JAIPUR 302001
9	Y10193726	90104034	IDBI BANK LTD	27-07-1999	-	-	850.00	JAIPUR
10	Y10195968	90106276	STATE BANK OF INDIA	27-03-1998	07-12-2005	-	250.00	COMMERCIAL BRANCH PARAMSIDDHI COMPLEX. OPP. V.S. HOSPITAL; ELLISBRIG AHMEDABAD
11	Y10194375	90104683	UTI BANK LTD	31-03-1997	-	-	750.00	ASHRAM ROAD BRANCH AHMEDABAD380006
12	Y10195921	90106229	UNION BANK OF INDIA	12-02-1997	-	-	990.00	INDUSTRIAL FINANCE BRANCH; ASHRAM ROAD C.U. SHAH CHAMBERS AHMEDABAD

Sr. No.	SRN	Charge ID	Charge Holder Name	Date of Creation	Date of Modification	Date of Satisfaction	Amount (₹ In Lakhs)	Address
13	Y10438780	90315701	GUJARAT INDUSTRIAL INVESTMENT CORPORATION LTD.	17-08-1996	21-11-1996	-	220.00	UDYOG BHAVAN BLOCK11 GANDHINAGAR
14	Y10195890	90106198	UNION BANK OF INDIA	15-12-1995	28-09-2005	-	3200.00	INDUSTRIAL FINANCE BRANCH; ASHRAM ROAD AHMEDABAD380006
15	Y10195882	90106190	STATE BANK OF INDIA	28-08-1995	-	-	600.00	COMMERCIAL BRANCH PARAMSIDDHI AHMEDABAD
16	Y10194277	90104585	GUJARAT INDUSTRIAL INVESTMENT CORP. LTD	09-12-1994	-	-	150.00	CHUNIBHAI CHAMBER ; ASHRAM ROAD AHMEDABAD

55. CRYPTO CURRENCY

As stated & Confirmed by the Board of Directors. The Company has not traded or invested in Crypto Currency or Virtual Currency.

56. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

As informed and confirmed by the Board of Directors, the Company has complied 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.

57. COMPLIANCE WITH SCHEME OF ARRANGEMENT

The Company has not applied for any scheme of Arrangements under sections 230 to 237 of the Companies Act 2013.

58. As stated & Confirmed by the Board of Directors, The company has not been sanctioned any term loan during the year not there is outstanding term loans as at 31st March 2023.

59. As stated & Confirmed by the Board of Directors, the Property, plant and equipment is in the name of the company.

60. As stated & confirmed by the board of Directors, the company has not revalued its Property, Plant and Equipment during the year under review.

61. As stated & Confirmed by the board of Directors, the Company has not been sanctioned working capital limits from a bank on the basis of security of the current assets.

Signatures to Notes - 1 to 61

As per our report of even date attached.

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

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHMTN4326

CA Satwik Durkal
Partner
Membership No. : 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(M. No. : A54288)

[Rajendra V Shah]
Chairman
DIN- 0020904

[Mrinal Sinha]
Whole Time Director
DIN- 09482143

INDEPENDENT AUDITOR'S REPORT

TO,
THE MEMBERS OF
SHAH ALLOYS LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Qualified Opinion

We have audited the accompanying consolidated IND AS financial statements of **SHAH ALLOYS LIMITED** ("the Holding Company") and its Associate (together referred to as 'the group') which comprise the consolidated Balance Sheet as at March 31, 2023, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and consolidated Statement of Cash Flows for the year than ended 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, except for the effects of the matter described in the Basis for *Qualified Opinion* section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the holding Company as at March 31, 2023 and its Profits, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. **For the Year ending on 31st March, 2023, the holding company has continued its practice of not making any provision of interest on loans from banks (excluding on the settlement entered with ARCs for specific loans which are assigned to them). Had the holding company made the provision of interest on loans from banks for the year ended on 31st March, 2023, the consolidated profit for the year would have been lower by ₹ 146.61 lakhs and current liabilities would have been higher to that extent. (Refer Note No. 33 of Consolidated Financial Statements).**
2. **The holding Company has not assessed the impact of Effective Interest Method to the finance cost as per the requirement of Ind AS 109 'Financial Instruments and hence, the effect of the same, if any, on the financial results is not identifiable therefore, we are unable to comment upon its impact on the consolidated Financial results for the year ended March 31, 2023. (Refer Note No. 42 of Consolidated Financial Statements)**
3. **The holding Company has not evaluated the provisioning requirement of a loss allowance on its financial assets so as to give impact of impairment if any as per the expected credit loss method as per the requirement of Ind AS 109 'Financial Instruments' and hence, the effect of the same if any on the consolidated Financial Results is not identifiable therefore. We are unable to comment upon its impact on the financial results for the year ended March 31, 2023. (Refer Note No. 43 of Consolidated Financial Statements)**

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

Emphasis of Matter

1. **The Associate Company has not complied with the disclosure requirements of segment reporting as per Indian Accounting Standard – 108 'Operating Segments'. However, there is no impact on the consolidated financial results due to the said non disclosure. (Refer Note No 62 of notes forming part of Consolidated Ind AS financial statement)**
2. **In accordance with Paragraph 38 and 39 of IND AS 28, the company had not recognized its further share in losses of Associate as it exceeded the Net Interest in the Associate. The company has started recognizing its share of profit in Associate in Consolidated Financial Statement as per Equity Method its share of profits equals losses not recognised. (Refer Note No 63 of notes forming part of Consolidated Ind AS financial statement)**

3. The capital work in progress of ₹ 900.50 lakhs comprises of the capital expenditure incurred by the Holding Company in relation to a Cold Rolling Mill (CRM3), whose implementation has not been completed by the Holding Company. However, the Holding Company intends to implement the said project and to commence the operation within next 12 months. The Holding Company has also prepared operating cash flows and based on the assumptions relating to commencement of the commercial production of the said CRM3. On this basis, in view of the management, no provision for impairment is required to be made in connection with the said capital work in progress asset. (Refer Note No 61 of notes forming part of Consolidated Ind AS financial statement)

Our opinion is not modified in the above matters

Key Audit Matters:

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

Key Audit Matter

Description of Key audit Matter	Our response and results
<p>Litigations and claims</p> <p>(Refer note 36) to the consolidated Ind AS financial statements)</p> <p>The cases are pending with multiple tax authorities like Service tax, Customs, Goods & Service tax and Excise, and there are claims against the holding company which have not been acknowledged as debt by the holding company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings and from claims of the customers not acknowledged as debt by the holding company. Whether a claim needs to be recognized as liability or disclosed as contingent liability in the consolidated Ind AS financial statements is dependent on a number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the consolidated Ind AS financial statements, is inherently subjective.</p> <p>We have considered Litigations and claims; a Key Audit Matter as it requires significant management judgement, including accounting estimates that involves high estimation uncertainty.</p>	<p>Our audit procedures, inter alia, included following:</p> <ul style="list-style-type: none"> - Discussed disputed litigation matters with the holding company's management. - Evaluated the management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Past and current experience with the tax authorities and management's correspondence/response including on the claims lodged by customers were used to assess the appropriateness of management's best estimate of the most likely outcome of each uncertain contingent liability. - Critically assessed the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the consolidated Ind AS financial statements. Also, assessed the probability of negative result of litigation and the reliability of estimates of related obligations. <p>Conclusion:</p> <p>Based on the procedures described above, we did not find any material exceptions to the management's assertions and treatment, presentation & disclosure of the subject matter in the consolidated Ind AS financial statements.</p>

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

The holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated IND AS financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated IND AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated IND AS Financial Statements

The statement has been prepared on the basis of the Consolidated Ind AS annual financial Statement. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated Profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These consolidated Ind AS financial statements have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the respective companies.

Auditor's Responsibilities for the Audit of the Consolidated IND AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated IND AS financial statements, including the disclosures, and whether the consolidated IND AS 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 consolidated Ind AS 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 section 197(16) of the Act as amended, In our Opinion and to the best our information and according to the explanations given to us, the remuneration paid by the Holding company to its directors during the year is in accordance with the provisions of section 197 of the Act.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and except for the matters described in the Basis for Qualified opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit, of the aforesaid consolidated INDAS Financial Statements.
 - b) Except for the possible effects of the matter described in the Basis for Qualified opinion, paragraph above, In our opinion, proper books of account as required by law have been kept by the holding Company so far as it appears from our examination of those books.
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of the matter described in Basis of Qualified opinion paragraph In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group are disqualified as on March 31, 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 holding Company & its associate covered under the act, and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the holding Company's & its Associates internal financial controls with reference to consolidated IND AS financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Consolidated INDAS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note No 36 to the Consolidated Ind AS Financial Statements).
 - (ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the holding Company and its Associate during the year.

- (iv) (a) The respective management of the Holding company & its associate has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or associate to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective management of the Holding company and associate has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures performed by us and 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The Group has not declared and paid any Interim dividend nor has proposed any final dividend during the previous year, and hence the question of Compliance and applicability of Section 123 of the Companies Act does not arise.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Holding Company and its associate and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
3. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of the Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanation given to us, and based on the CARO reports issued by us for the Holding Company & associate included in the Consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualification or adverse remarks in these CARO reports.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 23107628BHAMTO6633

Place: Ahmedabad
Date: 29-05-2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SHAH ALLOYS LIMITED on the Consolidated INDAS financial statement of even date)

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

In conjunction with our audit of the Consolidated Ind AS financial statements of

M/s Shah Alloys LIMITED (“the Holding Company”) and its associates (the Holding company and its associates together referred to as the Group) as at and for the year ended 31st March 2023, We have audited the internal financial controls over financial reporting of the Holding company and its associates, which are companies covered under the Act, as at that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated IND AS financial statements of the Holding company and its associate company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting and the Guidance Note issued by 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.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the Other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding company and its associate as aforesaid.

Meaning of Internal Financial Controls with reference to Consolidated IND AS Financial Statements

A company’s internal financial control with reference to consolidated IND AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial 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 with reference to Consolidated IND AS Financial Statements

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

Opinion

In our opinion, the Holding Company and its associate which are companies covered under the Act, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to consolidated IND AS financial statements were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Holding Company and its associate as aforesaid, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **Parikh & Majmudar**
Chartered Accountants
FRN - 107525W

[CA SATWIK DURKAL]
PARTNER

Membership No. 107628
UDIN: 23107628BHAMTO6633

Place: Ahmedabad

Date: 29-05-2023

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2023

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	As at 31 st March, 2023	As at 31 st March, 2022
	ASSETS			
1)	Non-current assets			
	a) Property, Plant and Equipment	2	7298.52	8193.71
	b) Capital work-in-progress	2	900.50	900.50
	c) Financial Assets			
	(i) Investments	3	693.43	567.15
	(ii) Trade receivables	4	-	-
	(iii) Loans			
	(iv) Other Financial Assets	4A	721.03	710.04
	d) Deferred tax assets (net)	5	7205.46	7092.39
	e) Other non-current assets	6	184.08	147.82
2)	Current assets			
	a) Inventories	7	10878.81	11810.14
	b) Financial Assets			
	(i) Trade receivables	8	1504.44	1373.63
	(ii) Cash and cash equivalents	9	22.95	24.46
	c) Loans	10	9.78	7.61
	d) Other Financial assets		-	-
	e) Other current assets	11	666.20	1334.27
	TOTAL ASSETS		30085.20	32161.71
	EQUITY & LIABILITIES :			
	EQUITY:			
	a) Equity Share capital	12	1979.75	1979.75
	b) Other Equity	13	1069.60	1327.10
	LIABILITIES :			
1)	Non-Current Liabilities			
	a) Financial Liabilities			
	(i) Borrowings	14	367.73	1294.23
	(ii) Trade payables	15		
	Total outstanding dues of micro enterprises and small enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		1603.75	1802.52
	b) Provisions	16	125.17	175.76
	c) Non-current liabilities		-	-
	d) Other non-current liabilities		-	-
2)	Current liabilities			
	(a) Borrowings	17	7001.56	10395.63
	(b) Trade payables	18		
	Total outstanding dues of micro enterprises and small enterprises		-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises		12415.60	11593.45
	(c) Other financial liabilities	19	877.89	877.89
	(d) Other current liabilities	20	4003.19	2159.10
	(e) Provision for Employee Benefits	21	640.96	556.29
	Total Equity and Liabilities		30085.20	32161.71

The accompanying Notes 1 to 63 are integral part of these Consolidated Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTO6633

CA Satwik Durkal
Partner
Membership No 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(A54288)

[Rajendra V Shah]
Chairman
DIN-0020904

[Mrinal Sinha]
Whole Time Director
DIN-09482143

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

(Amount ₹ in Lakhs)

S. No.	Particulars	Note No.	Year ended 31 st March, 2023	Year ended 31 st March, 2022
I	Revenue from Operations	22	62625.63	88007.52
II	Other Income	23	168.30	606.96
III	Total Income (I +II)		62793.92	88614.48
IV	Expenses:			
	Cost of Materials Consumed	24	41478.83	61369.87
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	25	2573.13	-3469.18
	Employee Benefits Expenses	26	2420.05	2128.34
	Finance Costs	27	258.56	218.53
	Depreciation and Amortization Expense		895.01	1129.20
	Other Expenses	28	15750.20	16301.79
	Total Expenses (IV)		63375.79	77678.55
V	Profit/(loss) before share of profit/(loss) of an associate / a joint venture and exceptional items (III- IV)		-581.86	10935.93
VA	Share of Profit / (Loss) of Associate Concern (Refer Note No 63 of notes forming part of Consildated Accounts)		126.28	-
VI	Exceptional Item		-	-
VII	Profit before tax (V+VA +VI)		-455.58	10935.93
VIII	Tax expense :			
	(1) Current Tax		-	-
	(2) Deferred Tax		-134.46	2725.31
	Total Tax Expenses (VIII)		-134.46	2725.31
IX	Profit for the period (VII -VIII)		-321.12	8210.62
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-85.02	3.90
	(ii) Income tax relating to items that will not be reclassified to profit or loss		21.40	-0.98
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Other Comprehensive Income (X)		-63.62	2.92
XI	Total Comprehensive Income for the period (IX + X) (Comprising Profit and Other Comprehensive Income for the period)		-257.50	8207.70
	Attributable to:			
	Owners of the parent		-257.50	8207.70
	Non-controlling interests		-	-
XII	Earnings per equity share (Face Value of ₹ 10/- each)			
	Basic & Diluted	29	-1.62	41.47

The accompanying Notes 1 to 63 are integral part of these Consolidated Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTO6633

CA Satwik Durkal
Partner
Membership No 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(A54288)

[Rajendra V Shah]
Chairman
DIN-0020904

[Mrinal Sinha]
Whole Time Director
DIN-09482143

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

(Amount ₹ in Lakhs)

S. No.	Particulars	2022-23 Amount	2021-22 Amount
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit before Tax	(496.84)	10,932.03
	Adjustments for :		
	Depreciation	895.01	1,129.20
	Loss / (Profit) on Sale of Assets	0.00	-
	Interest expenses	258.56	218.53
	Interest Income	(29.33)	(33.86)
		1,124.24	1,313.87
		627.40	12,245.90
	Operating Profit Before Working Capital Changes		
	Adjustments for :		
	Trade and other receivables	524.09	(708.04)
	Inventories	931.33	(4,741.82)
	Trade Payable and others (including non current liabilities)	2,501.56	(333.87)
		3,956.98	(5,783.73)
	Cash Generated From Operations	4,584.38	6,462.17
	Direct Taxes Paid	-	-
	Net Cash from Operating Activities before Extra Ordinary Items	4,584.38	6,462.17
	Extra-ordinary Items		
	Changes in non current assets	(36.26)	331.07
	Provision for diminution in value of long term investments	(0.00)	0.00
		(36.26)	331.07
	Net Cash from Operating Activities after Extra Ordinary Items(A)	4,548.12	6,793.24
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Sale of Fixed Assets	0.18	-
	Interest Income	29.33	33.86
		29.51	33.86
	Net Cash from Investing Activities(B)	29.51	33.86
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from Long Term and Short Term Borrowings (Net)	(4,320.58)	(6,744.24)
	Interest Paid	(258.56)	(218.53)
	Net Cash from Financing Activities(C)	(4,579.14)	(6,962.77)
	Net Increase in Cash and Equivalent.(A+B+C)	(1.51)	(135.67)
	Cash And Cash Equivalents as at the Beginning of the year	24.46	160.13
	Cash And Cash Equivalents as at the Close of the year	22.95	24.46

Note:

As per our Report of even date

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cashflows.

Cash and Bank Balances:	As at 31 st March, 2023	As at 31 st March, 2022
a) Balance with Banks :		
- In Current accounts	21.37	22.94
- In Deposit accounts	0.10	0.10
b) Cash on hand	1.48	1.42
Total	22.95	24.46

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTO6633

CA Satwik Durkal
Partner
Membership No 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(A54288)

[Rajendra V Shah]
Chairman
DIN-0020904

[Mrinal Sinha]
Whole Time Director
DIN-09482143

Consolidated Statement of Changes In Equity for the Year ended 31st March, 2023

A. EQUITY SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	
Balance as at 1 st April 2022	1,979.75
Changes during the year	-
Balance as at 31 st March, 2023	1,979.75

Other Equity as at 1st April 2021

(Amount ₹ in Lakhs)

Particulars	Securities Premium	Capital Reserve	Retained Earnings	Equity Instrument through OCI	Total
Balance at the beginning of the reporting period	502.61	56,136.84	(64,072.02)	15.18	(7,447.75)
Addition During the year	-	-	-	2.92	(2.92)
Adjustments During the year			567.15		567.15
Profit for the year	-	-	8,210.62	-	8,210.62
Balance at the end of the reporting period	502.61	56,136.84	(55,861.40)	18.10	1,327.10

Other Equity as at 1st April 2022

(Amount ₹ in Lakhs)

Particulars	Securities Premium	Capital Reserve	Retained Earnings	Equity Instrument through OCI	Total
Balance at the beginning of the reporting period	502.61	56,136.84	(55,861.40)	18.10	1,327.10
Addition/ Deduction During the year	-	-	-	(63.62)	63.62
Adjustments During the year			-		-
Profit for the year	-	-	(321.12)	-	(321.12)
Balance at the end of the reporting period	502.61	56,136.84	(56,182.52)	(45.53)	1,069.60

The accompanying Notes 1 to 63 are integral part of these Consolidated Ind AS Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: 23107628BHAMTO6633

CA Satwik Durkal
Partner
Membership No 107628

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
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[Mayank Chadha]
Company Secretary
(A54288)

[Rajendra V Shah]
Chairman
DIN-0020904

[Mrinal Sinha]
Whole Time Director
DIN-09482143

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

DISCLOSURE OF SIGNIFICANT ACCOUNTING POLICIES

1.1 CORPORATE INFORMATION

Shah Alloys Limited (Holding Company) having CIN: L27100GJ1990PLC014698 is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on National Stock Exchange and Bombay Stock Exchange. The holding company is engaged in manufacturing and sale of Wide range of Stainless Steel, Alloys & Special Steel, Carbon / Mild Steel in Flat and Long products. The holding Company presently has manufacturing facilities at Santej, District: Gandhinagar (Gujarat)

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENT

These consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The holding Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the holding Company's operating cycle and other criteria set out in Ind AS 1 – 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

Accounting policies have been consistently applied consistently to all the periods presented in the consolidated financial statements.

The consolidated financial statements are presented in Indian Rupees in lakhs ('INR ₹ in lakhs). Where changes are made in presentation, the comparative figures of the previous year are regrouped and re-arranged accordingly.

1.3 USE OF ESTIMATES

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

Recent Accounting Pronouncements

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

Ind AS 1-Presentation of Financial Statements:

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies.

Ind AS 8-Accounting Policies, Changes in Accounting Estimates and Errors:

This amendment has introduced a definition of accounting estimates' and included amendments to IndAS8 to help entities distinguish changes in accounting policies from changes in accounting estimates.

Ind AS 12-IncomeTaxes:

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and off setting temporary differences.

The effective date for adoption of these amendments is annual periods beginning on or after April 1, 2023. The Group has evaluated the above amendments and there is no material impact on its standalone financial statement.

SIGNIFICANT ACCOUNTING POLICIES

The holding Company has applied following accounting policies to all periods presented in the consolidated Ind AS Financial Statement.

1.4 PROPERTY, PLANT AND EQUIPMENT:

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the holding company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.
- iii) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- iv) Property, Plant and Equipment are depreciated and/or amortized on as per the Straight line method on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- v) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use.
- vi) An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.
- vii) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
 - Buildings - 30 to 60 years
 - Plant and Equipments - 15 to 25 years
 - Furniture and Fixtures - 10 years
 - Vehicles - 8 to 10 years
 - Office Equipments - 5 years
 - Computers – 3 years
- viii) At each balance sheet date, the holding Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.
- ix) Cost is reduced by accumulated depreciation and impairment and amount representing assets discarded or held for disposal.

1.5 INTANGIBLE ASSETS:

- i) Intangible assets acquired by payment e.g. Computer Software are disclosed at cost less amortization on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortization and impairment loss, if any.
- iii) Intangible assets are amortized on straight-line method as follows :
 - Computer Software - 5 years
- iv) At each balance sheet date, the holding Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the

value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.

1.6 REVENUE RECOGNITION

- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the holding Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the holding Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.
- ii) Sale of Goods: Revenue from sales of goods is recognized on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss excludes, returns, trade discounts, cash discounts, Goods and Service tax.
- iii) Services: Revenue from Services are recognized as and when the services are rendered.
- iv) Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.
- v) Export Benefits are accounted on accrual basis.

1.7 EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations and is provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organization established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the consolidated Statement of Profit and Loss of the year when the contributions to the respective funds are due. The holding Company pays provident fund contributions to publicly administered provident funds as per local regulations. The holding Company has no further payment obligations once the contributions have been paid.

1.8 VALUATION OF INVENTORIES

- i) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, Packing Material, Power & Fuel and Folders are valued at cost; and of those in transits and at port related to these items are valued at cost.
- iv) Goods-in-process is valued at lower of cost or net realizable value.
- v) Stock of Finished goods is valued at lower of cost or net realizable value.
- vi) Stock-in-trade is valued at lower of cost or net realizable value.

1.9 CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the holding Company is segregated.

Cash and cash equivalents in the balance sheet comprise cash at bank,

Cash / Cheques in hand and short term investments with an original maturity of three months or less.

1.10 FINANCIAL ASSETS:

- i) The holding Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortized cost.
- ii) Trade receivables represent receivables for goods sold by the holding Company up to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due within 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The holding Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to Profit and Loss.
- iv) A financial asset is derecognized only when the holding Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

1.11 FINANCIAL LIABILITIES:

- i) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- ii) Borrowings are classified as current liabilities unless the holding company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iii) Trade Payables represent liabilities for goods and services provided to the holding Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially and subsequently measured at amortized cost.
- iv) Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.12 FAIR VALUE MEASUREMENT:

- i) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the holding Company.
- ii) The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii) A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- iv) The holding Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.
- v) The assets and liabilities which have been measured at fair value are Derivatives

1.13 FOREIGN CURRENCY TRANSACTIONS:

- i) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the holding Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise.
- ii) Non-monetary items which are carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

1.14 BORROWING COSTS:

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

1.15 ACCOUNTING FOR TAXES ON INCOME:

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.
- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences; the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilized.
- iv) The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income. As such, deferred tax is also recognized in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

1.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- i) Provisions are made when (a) the holding Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

1.17 CURRENT AND NON-CURRENT CLASSIFICATION:

- i) The Normal Operating Cycle for the holding Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The holding Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realized or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realized within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- iv) An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period; (d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

1.18 RELATED PARTY TRANSACTIONS:

- i) A related party is a person or entity that is related to the reporting entity preparing its consolidated financial statements
 - (a) A person or a close member of that person's family is related to reporting entity if that person;
 - (i) Has control or joint control of the reporting entity;
 - (ii) Has significant influence over the reporting entity; or
 - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
 - (b) An entity is related to a reporting entity if any of the following conditions applies;
 - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)
 - (i) Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- ii) A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- iii) Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on consolidated Financial Statements.

1.19 EARNINGS PER SHARE:

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 LEASE

The holding Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The holding Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The holding Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the holding Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the holding Company is reasonably certain not to exercise that option. In assessing whether the holding Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the holding Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The holding Company revises the lease term if there is a change in the non-cancellable period of a lease.

1.21 CRITICAL ACCOUNTING JUDGMENTS, ASSUMPTIONS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the holding Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(i) Determination of Functional Currency

Currency of the primary economic environment in which the holding Company operates ("the functional currency") is Indian Rupee (₹) in which the holding company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

(ii) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

b) Assumptions and Estimation Uncertainties

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

(i) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The holding Company has carried forward loss on which deferred tax asset is created, based on probability that future profits will be available against which the deductible temporary difference can be realized.

(ii) Useful lives of Property, Plant and Equipment/Intangible Assets

Property, Plant and Equipment/ Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the holding Company's

historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. The depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets.

(iii) Contingent Liabilities

In the normal course of business, Contingent Liabilities may arise from litigation and other claims against the holding company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Notes but are not recognised. Potential liabilities that are remote are neither recognised nor disclosed as contingent liability. The management decides whether the matters need to be classified as 'remote', 'possible' or 'probable' based on expert advice, past judgements, experiences etc.

(iv) Evaluation of Indicators for Impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the idle assets etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment and such assessment is based on estimates, future plans as envisaged by the Group.

(v) Provisions

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

1.22 INVESTMENT IN ASSOCIATES

Investments in, associate companies are incorporated in the financial statement using the Equity method of accounting except when they are classified as held for sale. Under the Equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognise group's share of profit or loss or and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of

the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in consolidated statement of profit and loss in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

NOTE 2: PROPERTY, PLANT & EQUIPMENTS
TANGIBLE ASSETS :

(Amount ₹ in Lakhs)

Particulars	Freehold Land	Factory Building	Office Building	Plant and Machinery	Laboratory Equipments	Vehicles	Office Equipments	Furniture & Fixtures	TOTAL
Cost of Assets									
As at 1st April 2021	689.99	2,276.72	326.92	51,672.69	49.17	296.84	210.23	197.24	55,719.79
Addition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at 31st March 2022	689.99	2,276.72	326.92	51,672.69	49.17	296.84	210.23	197.24	55,719.79
Addition	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	-3.67	0.00	0.00	-3.67
As at 31st March 2023	689.99	2,276.72	326.92	51,672.69	49.17	293.17	210.23	197.24	55,716.12
Depreciation									
As at 1st April 2021	0.00	1347.26	69.36	44264.48	46.71	281.99	199.72	187.38	46,396.89
Charge for the year 2022	0.00	63.68	5.16	1060.36	0.00	0.00	0.00	0.00	1,129.20
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at 31st March 2022	0.00	1410.95	74.52	45324.83	46.71	281.99	199.72	187.38	47,526.09
Charge for the year 2023	0.00	62.58	5.16	827.26	0.00	0.00	0.00	0.00	895.01
Disposal / Adjustments	0.00	0.00	0.00	0.00	0.00	-3.49	0.00	0.00	-3.49
As at 31 st March 2023	0.00	1,473.53	79.67	46,152.10	46.71	278.50	199.72	187.38	48,417.61
Net Block									
As at 31st March 2022	689.99	865.77	252.40	6,347.86	2.46	14.85	10.51	9.86	8,193.71
As at 31st March 2023	689.99	803.19	247.24	5,520.59	2.46	14.66	10.51	9.86	7,298.52

DETAILS OF CAPITAL WORK-IN-PROGRESS (CWIP)

(Amount ₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March 2023					
Project in Progress	-	-	-	900.50	900.50
projects temporarily suspended					
As at 31st March 2022					
Project in Progress	-	-	-	900.50	900.50
projects temporarily suspended					

Notes:

- Cost of Fixed Assets and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the Management.
- Borrowing cost includes interest and other bank charges to the extent that they are regarded as an adjustment to interest costs which are directly related to the acquisition & construction of a qualifying asset.

NOTE NO : 3 INVESTMENTS

(₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Trade Investments- At FVTPL		
Quoted		
Investment in Equity instruments of Associate Company	3994.96	3994.96
3,02,56,989 Equity shares of Face value ₹ 10/- each in SAL Steel Limited (P.Y: 3,02,56,989 Equity shares)		
Less : Provision for Diminution /(Increase)in value of Investment	-132.09	984.39
Add : Share of Profit / (Loss) of Associate Concern	693.43	567.15
TOTAL	4820.48	3577.72
Less : Share of Loss of Associate	4127.05	3010.57
TOTAL	693.43	567.15

Aggregate amount of Quoted Investment and Market Value ₹4127.05 Lakhs as at 31st March 2023 (P.Y. ₹ 3010.57 Lakhs)**NOTE NO : 4 TRADE RECEIVABLES**

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Non-current Trade Receivable		
Unsecured,considered good	-	
Unsecured,considered doubtful	20.49	20.49
	20.49	20.49
Less : Provision for doubtful debts	20.49	20.49
	-	-

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					TOTAL
		LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(i) Undisputed							
Trade Receivables - Considered Good	-	-	-	-	-	-	-
(ii) Undisputed							
Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed							
Trade Receivables -Credit imparied	-	-	-	-	-	-	-
(iv) Disputed							
Trade Receivables Considered Good	-	-	-	-	-	20.49	20.49
(v) Disputed							
Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed							
Trade Receivables-credit imparied	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	20.49	20.49
Less : Allowance for doubtful trade receivable -Billed	-	-	-	-	-	20.49	20.49
GRAND TOTAL	-	-	-	-	-	-	-

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	NOT DUE	OUTSTANDING FOR FOLLOWING PERIODS FROM DUE DATE OF PAYMENT					TOTAL
		LESS THAN 6 MONTHS	6 MONTHS TO 1 YEAR	1-2 YEARS	2-3 YEARS	MORE THAN 3 YEARS	
(i) Undisputed							
Trade Receivables - Considered Good	-	-	-	-	-	-	-
(ii) Undisputed							
Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed							
Trade Receivables -Credit impaired	-	-	-	-	-	-	-
(iv) Disputed							
Trade Receivables Considered Good	-	-	-	-	-	20.49	20.49
(v) Disputed							
Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed							
Trade Receivables-credit impaired	-	-	-	-	-	-	-
Sub Total	-	-	-	-	-	20.49	20.49
Less : Allowance for doubtful trade receivable -Billed	-	-	-	-	-	20.49	20.49
GRAND TOTAL	-	-	-	-	-	-	-

NOTE NO : 4A OTHER FINANCIAL ASSETS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Security Deposit		
Unsecured,considered good	721.03	710.04
	721.03	710.04

NOTE NO : 5 DEFERRED TAX ASSETS (NET)

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Deferred tax Assets (Net)	7205.46	7092.39
TOTAL	7205.46	7092.39
DEFERRED TAX ASSETS		
Unabsorbed Depreciation and Business Loss	7796.85	7802.45
On account of disallowances under the Income tax act, 1961	433.98	438.25
Gross deferred tax asset (A)	8230.83	8240.70
Deferred tax liabilities		
Fixed Asset: Impact of difference between tax depreciation and depreciation charged for the financial reporting	1025.37	1148.31
Gross deferred tax liability (B)	1025.37	1148.31
Net Deferred tax (A-B)	7205.46	7092.39

NOTE NO : 6 OTHER NON-CURRENT ASSETS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, Considered Good		
(a) Loans & Advance Recoverable in cash or in kind	23.39	77.48
(b) Advances to Supplier	2.43	11.45
(c) Advance Income Tax , TDS & TCS	146.06	46.69
(d) Balance with Govt. Authorities	12.20	12.20
TOTAL	184.08	147.82

NOTE NO : 7 INVENTORIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(Inventories are taken, valued and certified by the management)		
(a) Raw Materials	2080.03	2112.09
(b) Work in progress	3696.39	5018.92
(c) Finished goods	2028.55	3279.15
(d) Stores and spares	3073.84	1399.98
TOTAL	10878.81	11810.14

NOTE NO : 8 TRADE RECEIVABLES (₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured, considered good	1504.44	1373.63
Doubtful	-	-
	1504.44	1373.63
Less : Provision for Doubtful trade Receivables.	-	-
	1504.44	1373.63

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered Good	1,004.65	499.80	-	-	-	-	1,504.44
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	
GRAND TOTAL	1,004.65	499.80	-	-	-	-	1,504.44

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment					Total
		Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisuted Trade Receivables - Considered Good	650.03	690.19	33.41	-	-	-	1,373.63
(ii) Undisuted Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-	
(iii) Undisuted Trade Receivables -credit imparied	-	-	-	-	-	-	
(iv) Disputed Trade Receivables Considered Good	-	-	-	-	-	-	
(v) Disputed Trade Receivables Which have significant increase in credit risk	-	-	-	-	-	-	
(vi) Disputed Trade Receivables credit imparied	-	-	-	-	-	-	
GRAND TOTAL	650.03	690.19	33.41	-	-	-	1,373.63

NOTE NO : 9 CASH AND CASH EQUIVALENTS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
(a) Balances with Scheduled Banks On current Account	21.37	22.94
(b) Short Term Deposit with Scheduled Banks	0.10	0.10
(c) Cash on hand	1.48	1.42
TOTAL	22.95	24.46

NOTE NO : 10 LOANS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured,considered good		
Loans and Advances to Employees	9.78	7.61
	9.78	7.61

NOTE NO : 11 OTHER CURRENT ASSETS :

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured,considered good		
Balance with government authorities	81.66	926.04
Advance to Suppliers	530.78	406.60
Prepaid Expenses	53.76	1.63
	666.20	1334.27

NOTE NO : 12 SHARE CAPITAL

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Authorised :		
3,50,00,000 Equity Shares of ₹ 10/- each (Previous year : 3,50,00,000 Equity Shares of ₹ 10/- each)	3500.00	3500.00
	3500.00	3500.00
Issued & Subscribed and Paid up :		
1,97,97,540 Equity Shares of ₹ 10/- each fully paid up (Previous year : 1,97,97,540 Equity Shares of ₹ 10/- each fully paid up)	1979.75	1979.75
TOTAL	1979.75	1979.75

a) Reconciliation of number of shares

Equity Shares	As at 31 st March, 2023		As at 31 st March, 2022	
	Number of shares	Amount ₹ in lakhs	Number of shares	Amount ₹ in lakhs
Shares outstanding at the beginning of the year	1,97,97,540	1979.75	1,97,97,540	1979.75
Changes during the Year	-	-	-	-
Shares Outstanding at the end of the year	1 97 97 540	1979.75	1 97 97 540	1979.75

b) Terms/rights, preferences and restrictions attached to securities:

Equity shares:

The holding company has one class of equity share having a par value of ₹ 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of directors is subject to the approval of shareholders in the ensuing Annual general meeting, except in case of interim dividend. In the case of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Shareholders holding more than 5% in the Company:

Name of the Shareholder	As at 31 st March, 2023		As at 31 st March, 2022	
	No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
Mr. Rajendra V. Shah [#]	94 44 364	47.71%	94 44 364	47.71%
Mrs. Ragini R. Shah	11 46 006	5.79%	11 46 006	5.79%

[#] including 7.74 % shares held as Karta of HUF

d) Shareholding of Promoters

Name of Promoters	As at 31 st March, 2023		As at 31 st March, 2022		% change during the year	% change during the year
	No of shares	% of total shares	No of shares	% of total shares	No of shares	% of total shares
RAJENDRABHAI V SHAH (HUF)	1531960	7.74	1531960	7.74	-	-
RAGINI RAJENDRABHAI SHAH	1146006	5.79	1146006	5.79	-	-
SHAH JAYESHKUMAR VIJAYKUMAR	16000	0.08	21000	0.11	(5,000.00)	(0.03)
RAJENDRABHAI V SHAH	7912404	39.97	7912404	39.97	-	-
ASHVIN V SHAH	34072	0.17	32940	0.17	1,132.00	0.01
Total	10640442	53.75	10644310	53.77		

NOTE NO : 13 OTHER EQUITY

(Amount ₹ in Lakhs)

Particulars	31.03.2023 Amount		31.03.2022 Amount	
Securities Premium Account				
Opening Balance	502.61		502.61	
Add : Addition during the year	-		-	
		502.61		502.61
Capital Reserve				
Opening Balance	56136.84		56136.84	
Add : Addition during the year	-		-	
		56136.84		56136.84
Retained Earnings				
Balance Brought Forward From Previous Year	-55294.25		-64072.02	
Add: Adjustments During the Year	-		567.15	
(Refer Note no 63 of Notes forming part of Consolidated Financial Statement)				

Particulars	31.03.2023 Amount		31.03.2022 Amount	
Add: Profit/(Loss) for the year	-321.12	-55615.37	8210.62	-55294.25
Other Comprehensive Income/(Expenses)				
Re-measurement of the defined benefit plans				
Opening Balance	18.10		15.18	
Add: Addition during the year	-63.62		2.92	
Closing Balance		-45.52		18.10
TOTAL		1069.60		1327.10

Purpose of Reserve

Security Premium : Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings : Retained Earnings are the profits and gains that the Company has earned till date, less any transfer to general reserve, dividends or other distributions paid to shareholders.

Capital Reserve : The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

NOTE NO : 14 BORROWINGS :

(Amount ₹ in Lakhs)

Particulars	31.03.2023 Amount		31.03.2022 Amount	
(A) SECURED :				
Term Loans				
a) From Banks	-		-	
b) From Financial Institutions	-	-	926.50	926.50
(B) UNSECURED:				
Loans & Advances from related parties				
- From Director		367.73		367.73
TOTAL		367.73		1294.23

(A) SECURED :

Term Loan from Bank / Financial Institution:

First Mortgage and charge on the holding company's all immovable and movable properties (other then working capital assets), both present and future, ranking pari-passu with all term lenders.(except Punjab National Bank's Corporate loan which has exclusive charge on 26,00,000 shares of Shah Alloys Limited. Thus First charge on fixed assets is not extended to Punjab national bank over the Corporate loan) Second charges on WC assets of the holding company. Pledge of promoter's entire shareholding ranking pari passu with all CDR lenders except for 26,00,000 shares on which Punjab national bank has exclusive charge . Unconditional and irrevocable personal guarantee of the promoter-director Shri Rajendra Shah.

Details of default existing at Balance Sheet date :

Nature of borrowing including debt securities	Name of lender	Amount not paid on due date(in Lakhs)	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Term Loan	HDFC BANK	1645.87	Principal	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date
Term Loan	HDFC BANK	877.89	Interest	Unpaid as on balance sheet date since June 2011	Unpaid as on balance sheet date

NOTE NO : 15 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	31.03.2023	31.03.2022
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	1603.75	1802.52
	1603.75	1802.52

(Refer Note No.18a of Notes forming part of Standalone financial Statement)

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	10.30	24.45	1,569.00	1,603.75
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	10.30	24.45	1,569.00	1,603.75

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	-	-	222.39	13.38	1,566.75	1,802.52
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	-	-	222.39	13.38	1,566.75	1,802.52

NOTE NO : 16 LONG TERM PROVISIONS :

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Provision for Gratuity	125.17	175.76
	125.17	175.76

NOTE NO : 17 BORROWINGS (Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Unsecured		
Inter Corporate Deposits	5355.68	2555.00
Current maturities of long-term debt	-	6194.75
Other Payables to Bank	1645.88	1645.88
TOTAL	7001.56	10395.63

NOTE NO : 18 TRADE PAYABLE

(Amount ₹ in Lakhs)

PARTICULARS	31.03.2023	31.03.2022
Total Outstanding dues of micro enterprises and small enterprises	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	12415.60	11593.45
	12415.60	11593.45

(Refer Note No.18a of Notes forming part of Consolidated financial Statement)

(Amount ₹ in Lakhs)

Particulars F Y 2022-23	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	1,937.28	10,478.32	-	-	-	12,415.60
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	1,937.28	10,478.32	-	-	-	12,415.60

(Amount ₹ in Lakhs)

Particulars F Y 2021-22	Not Due	Outstanding for Following Periods from Due Date of Payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	-	-	-	-	-	-
(ii) OTHERS	4,893.82	6,699.63	-	-	-	11,593.45
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
GRAND TOTAL	4,893.82	6,699.63	-	-	-	11,593.45

NOTE NO. :18A TRADE PAYABLES - TOTAL OUTSTANDING DUES OF MICRO & SMALL ENTERPRISES*

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
a) The Principal amount and Interest due there on remaining unpaid as at year end: Principal	-	-
b) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
d) Interest accrued and remain unpaid as at year end	-	-
e) Further Interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises	-	-

*Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.

NOTE NO : 19 OTHER FINANCIAL LIABILITIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest accrued and due on borrowings	877.89	877.89
TOTAL	877.89	877.89

NOTE NO : 20 OTHER CURRENT LIABILITIES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Advance from customers	2306.03	25.01
Duties and taxes	569.74	859.63
Credit baalance in current account with Schedule banks (Book over draft)	1127.41	1274.46
TOTAL	4003.19	2159.10

NOTE NO : 21 PROVISION FOR EMPLOYEE BENEFITS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Gratuity	43.01	57.53
Salary, Wages and Bonus Payable.	597.95	498.76
TOTAL	640.96	556.29

NOTE NO : 22 REVENUE FROM OPERATIONS

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
I. Sale of Products				
Direct Export Turnover	77.15		1344.47	
Domestic Turnover	62305.28	62382.43	86638.12	87982.59
II. Sale of service				
Technical Consultancy Service Income (TDS RS 3.30 Lacs P Y ₹ Nil)	165.00		-	
- Commission income (TDS ₹ 1.25 Lacs PY ₹ Nil)	25.00		-	
- Job work Income (TDS ₹ 1.04 Lacs PY ₹ Nil)	51.88	241.88	-	-
III. Other Operating Revenues				
Export Incentives- Duty Draw Back		1.32		24.93
Total Revenue from operations		62625.63		88007.52

NOTE NO : 23 OTHER INCOME

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest Income (TDS Rs.2.93 Lakhs P.Y. Rs. 3.38 Lakhs)	29.33	33.86
Foreign exchange fluctuation Gain (Net)	10.76	26.01
Sundry balances written back (Net)	128.21	18.33
Electricity Refund	-	528.76
TOTAL	168.30	606.96

NOTE NO : 24 COST OF MATERIALS CONSUMED:

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Opening Stock of Raw Material	2112.09	1629.01
Add : Purchases	41446.77	61852.95
	43558.86	63481.96
Less : Closing Stock of Raw Material	2080.03	2112.09
TOTAL	41478.83	61369.87

NOTE NO : 25 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
Opening Stock				
Finished Goods	3279.15		2408.73	
Stock-in-Progress	5018.92	8298.07	2420.16	4828.89
Less : Closing Stock				
Finished Goods	2028.55		3279.15	
Stock-in-Progress	3696.39	5724.94	5018.92	8298.07
Increase/(Decrease) in Stock of Finished Goods & Stock-in-Progress		2573.13		-3469.18

NOTE NO : 26 EMPLOYEE BENEFITS EXPENSES

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Salary & Bonus	2288.49	1989.69
Contribution to Provident Fund etc.	66.11	68.22
Staff welfare expenses	65.45	70.43
TOTAL	2420.05	2128.34

NOTE NO : 27 FINANCE COSTS

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Interest to Others	258.56	218.53
TOTAL	258.56	218.53

NOTE NO : 28 OTHER EXPENSES

(Amount ₹ in Lakhs)

Particulars	Amount	31.03.2023	Amount	31.03.2022
Stores & Spares Consumed :				
Opening Stock	1399.98		610.43	
Add : Purchases	7475.83		7659.79	
	8875.81		8270.22	
Less: Closing Stock	3073.84	5801.97	1399.98	6870.24
Power & fuel		8021.55		7296.96
Factory Labour expense		1124.61		1294.47
Factory Expenses		70.41		100.01
Repairs & Maintenance :				
Machinery	160.52		239.83	
Building	3.25		2.73	
Others	3.36	167.13	0.76	243.32
Selling costs		37.06		23.28
Packing Cost		10.41		1.88
Freight outward expenses		56.96		191.69
Travelling, Conveyance and Vehicle Expenses		40.11		25.23
Legal, Consultancy and Professional Fees		185.09		94.75
Miscellaneous expenses		24.90		33.04
Advertisement, Stationery and Communication		27.43		21.71
Payment to Auditors #		10.00		10.00
Rates and Taxes		17.63		35.90
Insurance		22.47		22.07
Bank Charges		2.37		2.39
Donation		2.50		2.00
CSR expenses		127.60		32.85
TOTAL		15750.20		16301.79

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
As auditors - Statutory audit	10.00	10.00
For other Services	-	-
	10.00	10.00

NOTE NO : 29 EARNINGS PER SHARE

(Amount ₹ in Lakhs)

Particulars	31.03.2023	31.03.2022
Basic/Diluted Earnings per Share		
Number of Equity Shares at the beginning of the year (Lakhs)	197.98	197.98
Number of Equity Shares allotted during the year (Lakhs)	-	-
Number of Equity Shares at the end of the year (Lakhs)	197.98	197.98
Weighted average number of equity shares		
Profit for the year (after tax,available for equity shareholders)	-321.12	8210.62
Basic and Diluted Earnings Per Share in ₹	-1.62	41.47

30. SEGMENT REPORTING:

The company's operation falls under single segment namely "IRON & STEEL- "and hence segment information as required by INDAS 108 "Operating Segment is not applicable. All assets are located in the company's country of domicile)

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	Year Ended on 31 st March 2023	Year Ended on 31 st March 2022
Revenue from		
- Outside India	77.15	1344.47
- In India	62548.48	86663.05

One customer M/s Keshar Metal contributed 10% or more to the company's revenue for 2022-23 and 2021-22.

31. FINANCIAL AND DERIVATIVE INSTRUMENTS**Capital Management**

The company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in Accounting policies as stated above

(i) Categories of Financial Instruments

(Amount ₹ in Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Financial Assets		
Measured at Amortized Cost		
(i) Trade and Other Receivables	1504.44	1373.63
(ii) Cash and Cash Equivalents	22.95	26.46
(iii) Loans	9.78	7.61
(iv) Other Financial Assets	-	-
Financial Liabilities		
Measured at Amortized Cost		
(i) Borrowings	7369.29	11689.86
(ii) Trade Payables	14019.35	13395.97
(iii) Other Financial Liabilities	877.89	877.89

(ii) Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets.

Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

(iii) Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet holding Company's operational re-quirements, the holding Company's financial management committee also monitors and manages key financial risks relating to the operations of the holding Company by analyzing exposures by degree and magnitude of risks. These risks include mar-ket risk (including currency risk and price risk), credit risk and liquidity risk.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instru-ment will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an expo-sure will fluctuate because of changes in foreign exchange rates. The holding Company's exposure to the risk of changes in foreign exchange rates relates pri-marily to the holding Company's operating activities. The holding Company has a treasury department which monitors the foreign exchange fluctuations on the con-tinuous basis and advises the management of any material adverse effect on the holding Company.

Interest Rate Risk

The holding Company's interest rate risk arises from the Long Term Borrowings with fixed rates. The holding Company's fixed rates borrowings are carried at amortized cost.

Liquidity Risk

The holding Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the holding Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the holding Company can be required to pay. The contractual maturity is based on the earliest date on which the holding Company may be required to pay.

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount ₹ in Lakhs)

Particulars	Due in 1 Year	1 Year - 3 Years	More than 3 Years	Total
As at 31st March, 2023				
Borrowings	7001.56	367.73	--	7369.29
Trade Payables	12415.60	1603.75	--	14019.35
Other Financial Liabilities	877.89	-	--	877.89
As at 31st March, 2022				
Borrowings	10395.63	1294.23	--	11689.86
Trade Payables	11593.45	1802.52	--	13395.97
Other Financial Liabilities	877.89	-	--	877.89

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The holding Company is exposed to credit risk from its operating activities (primarily trade receivables).

Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 4 as the holding Company does not hold collateral as security. The holding Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

The holding Company has made assessment of Allowance for Credit Loss in respect of Trade Receivables. The holding Company has analysed its trade receivables for ageing analysis and grouped them accordingly and then applied ear wise percentage to calculate the amount of Allowance for Credit Loss in respect of the same.

Movement in the expected Allowance for Credit Loss in respect of Trade Receivables

(₹ in lakhs)

Particulars	March 31, 2023	March 31, 2022
Balance at beginning of the year	20.49	20.82
Add: Provided during the year	--	--
Less: Reversals of provision	--	0.33
Less: Amounts written back	--	---
Balance at the end of the year	20.49	20.49

The Company has a detailed review mechanism of overdue customer receivables at various levels within organization to ensure proper attention and focus for realization.

(Amount ₹ in Lakhs)

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2023				
Loans	9.78	--	--	9.78
Other Financial Assets	--	--	---	-
Cash & Cash Equivalent	22.95	--	--	22.95
Trade Receivables	1504.44	--	--	1504.44

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
As at 31st March, 2022				
Loans	7.61	--	--	7.61
Other Financial Assets	--	--	---	-
Cash & Cash Equivalent	24.46	--	--	24.46
Trade Receivables	1373.63	--	--	1373.63

(a) For hedging currency

(₹ in lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Outstanding Forward Contract	NIL	NIL

32. DISCLOSURES REGARDING EMPLOYEE BENEFITS

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures are given below:

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under:

(Amount ₹ in Lakhs)

Particulars	2022-23	2021-22
Employers contribution to provident fund	66.11	68.22

- (i) Defined Contribution Plan: Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organization established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the consolidated profit and loss account of the year when the contributions to the respective funds are due.
- (ii) Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

As the holding Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

(iii) Major risk to the plan

I have outlined the following risks associated with the plan:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the as-sumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than as-sumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

(iv) Defined Benefit Cost

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Current Service Cost	29.11	31.69
Net Interest Cost	13.70	11.61
Defined Benefit Cost included in Profit and Loss	42.81	43.30
Defined Benefit Cost included in Other Comprehensive Income	-85.02	3.90
Total Defined Benefit Cost in Profit and Loss and OCI	-42.21	47.20

(v) Movement in Defined benefit liability:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Opening Defined Benefit Obligation	233.29	209.91
Interest Expense on Defined Benefit Obligation (DBO)	13.70	11.61
Current Service Cost	29.11	31.69
Total Re-measurements included in OCI	-85.02	3.90
Less: Benefits paid	22.90	23.82
Less: Contributions to plan assets	-	-
Closing benefit obligation	168.18	233.29

(vi) Sensitivity Analysis of Defined Benefit Obligation:

(Amount ₹ in Lakhs)

	2022-23	2021-22
(A) Discount rate Sensitivity		
Increase by 0.5%	163.84	227.34
(% change)	-2.58%	-2.55%
Decrease by 0.5%	172.76	239.57
(% change)	2.73%	2.69%

	2022-23	2021-22
(B) Salary growth rate Sensitivity		
Increase by 0.5%	172.80	239.58
(% change)	2.74%	2.70%
Decrease by 0.5%	163.77	227.28
(% change)	-2.62%	-2.57%
(C) Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	168.10	232.95
(% change)	-0.05%	-0.15%
W.R. x 90%	168.20	233.59
(% change)	0.01%	0.13%

(vii) **Principle Actuarial assumptions:**

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Discount Rate	7.35%	6.70%
Salary Growth Rate	6.00%	6.00%
Withdrawal rate	30% at younger ages reducing to 5% at older ages	30% at younger ages reducing to 5% at older ages

(viii) The above details are certified by the actuary.

33. For the year ending on 31st March, 2023, the company has discontinued to make the provision of interest on loans from banks (excluding on the settlement entered with ARCs for specific loans which are assigned to them) amounting to ₹ 146.61 lakhs.

34. The holding Company has long term investment in the shares of SAL Steel Limited amounting to ₹ 3,994.96 Lakhs. There is no major movement in the prices of stock in share market such circumstances indicate that there is increase, in the value of a long-term investment. And as a result, we have accounted for investment in shares of SAL Steel Ltd at market rate of shares @ ₹ 13.64 per share increase the value of investment to ₹ 4127.05 Lakhs and provided for ₹ 1116.48 Lakhs as increase in the value of investment in books of accounts holding company.

35. FOREIGN CURRENCY EXPOSURE AT THE YEAREND NOT HEDGED BY DERIVATIVE INSTRUMENTS.

Particulars	As at 31-03-2023	As at 31-03-2022
Advance Payment to Suppliers		
Rupees in Lakhs	14.44	32.76
US Dollar in Lakhs	0.18	0.46
Sundry Creditors for goods		
Rupees in Lakhs	-	169.44
US Dollar in Lakhs	-	2.23
Advance From Customers		
Rupees in Lakhs	-	0.92
US Dollar in Lakhs	-	0.01
Sundry Debtors		
Rupees in Lakhs	-	26.73
US Dollar in Lakhs	-	0.35

36. CONTINGENT LIABILITIES:

- (1) Claims against the Company not acknowledged as debts

Particulars
1. Disputed Excise & Customs, Service Tax & VAT Demand Matter Under Appeal ₹ 5452.91 Lakhs (P.Y. ₹ 5439.19 Lakhs)
2. Disputed Goods & Service Tax Demand Matter Under Appeal ₹ 274.92 Lakhs (P.Y. ₹ 480.80 Lakhs)
Claim against the holding company not acknowledged as debt – Claim by parties/ Financial Institution ₹ 53117.65 Lakhs (P.Y. 55894.59 Lakhs) Bank / Financial Institutions ₹ Nil (P Y ₹ 59014.31 Lakhs)

Note:

- (a) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.
- (b) The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial results.

- (2) CCorporate Guarantee given to consortium Bank for SAL Steel Ltd. ₹ Nil (P.Y. ₹ 20750.00 Lakhs)

37. Certain Balance of Debtors, Creditors, is non-moving / sticky since last 3 years. However in view of the management of the Holding company, the same is recoverable / payable. Hence no provision for the same is made in the books of accounts.
38. In the opinion of the Board of Directors of the Holding Company, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.
39. The holding company has sought balance confirmations from trade receivables and trade payables, wherever such balance confirmations are received by the holding Company, the same are reconciled and appropriate adjustments if required, are made in the books of account.

40. RELATED PARTY DISCLOSURES:

List of Related Parties and Relationships:

i. Concern where significant interest exists.

Sr. no	Name of the Concern	Nature of Relationship
1	SAL Steel Limited	Associate
2	SAL Corporation Pvt. Ltd	Enterprise with significant influence
3	SAL Care Pvt Ltd	Enterprise with significant influence
4	SAL Pharmacy (A Division of SAL Corporation Pvt. Ltd.)	Enterprise with significant influence
5	SAL Hospital & Medical Institute (A Division of SAL Care Pvt Ltd.)	Enterprise with significant influence
6	SAL Institute of Technical & Engineering Research (A Division of Adarsh Foundation)	Enterprise with significant influence
7	SAL Institute of Pharmacy (A Division of Adarsh Foundation)	Enterprise with significant influence
8	SAL Institute of Management (A Division of Adarsh Foundation)	Enterprise with significant influence
9	Adarsh Foundation	Enterprise with significant influence
10	SAL College of Engineering (A Division of Adarsh Foundation)	Enterprise with significant influence

(Related Parties have been identified by the Management)

1	Mr. Rajendra V. Shah	Chairman
	Mr. Ashok Sharma	Whole Time Director & CFO
2	Mr. Ashok Sharma	Whole Time Director & CFO
3	Mr. Mrinal Sinha	Whole Time Director
4	Mr. Prakashkumar Ramanlal Patel	Whole Time Director
5	Mr. Vinay Kumar Mishra (Till 20.4.23)	Company Secretary
6	Mr. Mayank Chadha (From 29.5.23)	Company Secretary

(Related Parties have been identified by the Management)

i) Disclosure of Related Party Transactions (Amount ₹ In lakhs)

Sr. No.	Nature of Transaction	Parties mentioned at a (i) above		Key management personnel	
		2022-23	2021-22	2022-23	2021-22
1	Purchase of goods & Services	20727.43	27465.18		
2	Purchase of Power	2390.43	3398.01		
3	Sales of Goods & Services	278.33	176.07		
4	Interest Paid	217.41	169.15		
5	Loan Availed	2963.51	2180.00		
6	Loan Repaid	162.83	1105.00		
7	Remuneration			73.38	24.57
8	CSR	127.60	32.85		

(iv) Disclosures of material transactions with related parties during the year:

Sr. No.	Description	Related Parties	2022-23 (PY 2021-22)	Balance outstanding as at 31.03.2023 (PY 31.03.2022)
1	Purchase of Goods & Services	SAL Steel Ltd	20702.85	6876.71
			(27452.47)	(5360.85)
		SAL Pharmacy	-	-
			(0.25)	(26.93)
		SAL Hospital & Medical Institute	24.58	40.84
			(12.46)	(18.66)
2	Purchase of power	SAL Steel Ltd	2390.43	-
			(3398.01)	(-)
3	Sales of goods & Services	SAL Steel Ltd	278.33	-
			(136.22)	(-)
		SAL Corporation Pvt.Ltd	-	-
			(39.85)	(-)
4	Interest Paid	SAL Care Pvt. Ltd	217.41	208.53
			(169.15)	(165.03)
5	Remuneration to Key Management Personnel	Mr. Ashok Sharma	19.20	-
			(12.60)	(-)
		Mr. Mrinal Sinha	27.00	-
			(2.25)	(-)
		Mr. Prakashkumar Ramanlal Patel	16.73	-
			(1.40)	(-)
		Mr. Vinay Kumar Mishra	10.45	-
			(8.32)	(-)
		SAL Care Pvt. Ltd.	2963.51	5366.68
			(2180.00)	(2555.00)
6	Loan Availed	Mr. Rajendra V Shah	-	367.73
			(-)	(367.73)
7	Loan Repaid	SAL Care Pvt. Ltd.	162.83	-
			(1105.00)	(-)
8	CSR	Adarsh Foundation	127.60	-
			(32.85)	(-)

The remuneration of directors and other members of Key management personal during the year are as follows:

(Amount ₹ in Lakhs)

Particulars	2022-23	2021-22
Short term Benefits	73.38	24.57

41. Previous year figures have been re-grouped / rearranged, wherever necessary to make them comparable with those of current year
42. The holding Company has not assessed the impact of Effective Interest Method to the finance cost as per the requirement of Ind AS 109 'Financial Instruments and hence, the effect of the same, if any, on the consolidated financial results is not identifiable.
43. The holding Company has not evaluated the provisioning requirement of a loss allowance on its financial assets so as to give impact of impairment if any as per the expected credit loss method as per the requirement of Ind AS 109 'Financial Instruments' and hence, the effect of the same if any on the consolidated Financial Results is not identifiable.
44. In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the holding Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31st March, 2023.
45. The consolidated financial statements were authorized for issue by the directors on 29th May, 2023.
46. **Corporate Social Responsibility contribution-**

As per Section 135 of the Companies Act, 2013, holding company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are Promoting education, including special education and employment enhancing vocation skill and other activities as mentioned in Schedule VII of the Companies Act, 2013. A CSR committee has been formed by the holding company as per the Act. The funds were primarily utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013

(₹ In Lakhs)

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
1) Amount required to be spent by the company during the year	127.59	32.56
2) Amount of expenditure incurred		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	127.59	32.56
3) Shortfall at the end of the year	-	-
4) Total of previous years shortfall	-	-
5) Reason for shortfall (**)	-	-
6) Nature of CSR activities	Contribution towards promotion and imparting of education, including special education, learning and employment.	
7) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard(*)	127.60	32.85
8) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

(*) Represents contribution to Adarsh Foundation

47A IND AS 115- ILLUSTRATIVE DISCLOSURES

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from contracts with customers	62,625.63	88,007.52
Total revenue	62,625.63	88,007.52

Revenue is recognized upon transfer of control of products to customers

(a) Disaggregation of revenue from contract with customers

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Revenue from		
- Outside India	77.15	1,344.47
- In India	62,548.48	86,663.05

One customer M/s Keshar Metal contributed 10% or more to the company's revenue for 2022-23 and 2021-22.

(b) Contract assets and liabilities

The Company has recognised the following revenue-related contract assets and liabilities

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Contract Assets	1,504.44	1,373.63
Total contract assets	1,504.44	1,373.63
Contract liability	2,306.03	25.01
Total contract liabilities	2,306.03	25.01

(c) Performance obligations

The performance obligation is satisfied upon delivery of the finished goods and payment is generally due within 1 to 3 months from delivery. The performance obligation to deliver the finished goods is started after receiving of sales order. The customer can pay the transaction price upon delivery of the finished goods within the credit period, as mentioned in the contract with respective customer.

NOTE NO - 47B TAX RECONCILIATION

Income taxes recognised in Statement of Profit and Loss

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Current tax		
In respect of the current year	-	-
(Excess)/Short provision for tax of earlier years	-	-
Deferred tax(credit) /Charged	(134.46)	2,725.31
Total income tax expense recognised in respect of continuing operations	(134.46)	2,725.31

Tax reconciliation

The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Profit before taxes	(581.86)	10,935.93
Enacted tax rate in India	25.168%	25.168%
Expected income tax benefit/(expense) at statutory tax rate	-	-
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	(146.44)	2,752.35

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Non deductible expenses for Tax Purpose	259.62	328.81
Deductible Expenses for Tax purposes	113.18	3,081.16
Effect of:		
Deferred tax(credit) /Charged	(134.46)	2,725.31
Income taxes recognised in the Statement of Profit and Loss	(134.46)	2,725.31

The tax rate used 22% plus surcharge @ 10% and cess @ 4% payable by corporate entities in India on taxable profits under the Indian tax laws.

Income tax recognised in other comprehensive income

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	21.40	(0.98)
Total income tax recognised in other comprehensive income	21.40	(0.98)
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to Statement of Profit and Loss	21.40	(0.98)
Income tax recognised in other comprehensive income	21.40	(0.98)

Note: Deferred tax liability has been calculated using effective tax rate 25.168 %

Components of deferred tax assets and liabilities

(Amount ₹ in Lakhs)

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
(A) Deferred tax assets		
Disallowances of employee benefits u/s. 43B of the Income Tax	433.98	438.25
Unabsorbed loss	7,796.85	7,802.45
	8,230.83	8,240.71
(B) Deferred tax Liabilities		
Difference between book and tax depreciation	1,025.37	1,148.31
	1,025.37	1,148.31
Deferred Tax Assets (Net)	7,205.46	7,092.39

48. UNDISCLOSED TRANSACTIONS

As stated & confirmed by the Board of Directors, The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax as-sessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

49. BENAMI TRANSACTIONS

As stated & confirmed by the Board of Directors, The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

50. LOAN OR INVESTMENT TO ULTIMATE BENEFICIARIES

As stated & Confirmed by the Board of Directors, The Group has not ad-vanced or loaned or invested funds to any other person(s) or entity(ies), in-cluding foreign entities (Intermediaries) with the understanding that the In-termediary shall:

- directly or indirectly lend or invest in other persons or enties identified in any manner whatsoever by or on behalf of the holding company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

51. LOAN OR INVESTMENT FROM ULTIMATE BENEFICIARIES

As stated & Confirmed by the Board of Directors, The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Fund-ing Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Ben-eficiaries

52. WILLFUL DEFAULTER

As stated & Confirmed by the Board of Directors, the Group has not been declared willful defaulter by the bank during the year under review.

53. TRANSACTIONS WITH STRUCK OFF COMPANIES

As stated & Confirmed by the Board of Directors ,The Group has not under taken any transactions nor has outstanding balance with the company Struck Off either under section 248 of the Actor under Section 560 of Companies act 1956.

54. CRYPTO CURRENCY

As stated & Confirmed by the Board of Directors. The Group has not traded or invested in Crypto Currency or Virtual Currency.

55. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES:

As informed and confirmed by the Board of Directors, the Group has complied 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.

56. COMPLIANCE WITH SCHEME OF ARRANGEMENT

The Group has not applied for any scheme of Arrangements under sections 230 to 237 of the Companies Act 2013.

- 57. As stated & Confirmed by the Board of Directors, The Group has not been sanctioned any term loan during the year not there is outstanding term loans as at 31st March 2023.
- 58. As stated & Confirmed by the Board of Directors, the Property, plant and equipment are in the name of the Group.
- 59. As stated & confirmed by the board of Directors, the Group has not revalued its Property, Plant and Equipment and intangible assets during the year under review.
- 60. As stated & Confirmed by the board of Directors, the Group has not been sanctioned working capital limits from a bank on the basis of security of the current assets.
- 61. **The capital work in progress of ₹900.50 lakhs comprises of the capital expenditure incurred by the Holding Company in relation to a Cold Rolling Mill (CRM3), whose implementation has not been completed by the Holding Company. However, the Holding Company intends to implement the said project and to commence the operation within next 12 months. The Holding Company has also prepared operating cash flows and based on the assumptions relating to commencement of the commercial production of the said CRM3. On this basis, in view of the management, no provision for impairment is required to be made in connection with the said capital work in progress asset.**

62. The associate company is manufacturing Ferro Alloys & Sponge Iron, which is basically used in Iron & Steel Industry. Further power generated in the associate company in its power plant is used for captive as well as trading purpose. In view of this, the associate company has to consider "Iron & Steel" and "Power" as Primary Reportable business segment, as per Indian Accounting Standard – 108 'Operating Segments'. Reporting. However, due to substantial competition, risk, on-going position of associate Company and largely in the interest of the associate Company as well as interest of the stake holders involved, management has not made disclosure of Primary Reportable segment as per Indian Accounting Standard – 108 'Operating Segments'. All the assets are located in the associate company's country of domicile.
63. In accordance with Paragraph 38 and 39 of IND AS 28, the company had not recognized its further share in losses of Associate as it exceeded the Net Interest in the Associate. The company has started recognizing its share of profit in Associate in Consolidated Financial Statement as per Equity Method its share of profits equals losses not recognised.

Signatures to Notes - 1 to 63

Notes referred to herein above form an integral part of the Consolidated Financial Statements.

As per our report of even date attached

For **Parikh & Majmudar**
Chartered Accountants
(Firm Regn.No.107525W)
UDIN: : 23107628BHAMTO6633

CA Satwik Durkal
Partner
Membership No 107628

Place : Ahmedabad
Date : 29th May,2023

For and on behalf of the Board of Directors,
Shah Alloys Limited

[Ashok Sharma]
Whole Time Director & CFO
DIN-0038360

[Mayank Chadha]
Company Secretary
(A54288)

[Rajendra V Shah]
Chairman
DIN-0020904

[Mrinal Sinha]
Whole Time Director
DIN-09482143



SHAH ALLOYS LIMITED

REGISTERED OFFICE

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CORPORATE OFFICE

Corporate House, Sola-Kalol Road, Village Santej, Dist.-Gandhinagar-382 721

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