

September 06, 2024

To,

The Manager – Listing Department,  
**National Stock Exchange of India Limited,**  
Exchange Plaza, Plot No. C/1, G-Block,  
Bandra-Kurla Complex, Bandra (E),  
Mumbai – 400051  
**SCRIP CODE: SURANI**

**Sub: Submission of Annual Report for Financial Year 2023-24**

Dear Sir/ Madam,

Pursuant to Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable provisions, please find enclosed herewith a copy of the Annual Report of the Company for the financial year 2023-24 along with the notice of 12<sup>th</sup> Annual General Meeting.

Please note that the 12<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on **Saturday, 28 September, 2024 at 11.00 P.M. (IST)** via Video Conferencing / Other Audio Visual Means as per the relevant Circulars issued by Ministry of Corporate Affairs (“MCA”) and Securities and Exchange Board of India (“SEBI”).

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

Kindly take note of the same on your records

Thanking You,

For **Surani Steel Tubes Limited**

**Mohinder Singh**  
Company Secretary and Compliance Officer

**SURANI STEEL TUBES LTD.**

**CIN:** L27109GJ2012PLC071373

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

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# ROBUST PROGRESS. PROMISING GROWTH

Surani Steel Tubes Limited  
Annual Report 2023-24

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## SHAREHOLDER INFORMATION

CIN:	U27109GJ2012PLC071373
ISIN:	INE01ZJ01015
AGM Date:	September 28, 2024
AGM Mode:	Virtual





# UNDER THE GUIDANCE OF ASTUTE AND EXPERIENCED LEADERSHIP, WE TRANSFORMED OUR FORTUNES AND DEFIED THE ODDS.

Every great success story begins with a challenge. For Surani, the path to profitability was no exception. Faced with market turbulence and fierce competition, we didn't just survive – we thrived.

Today, we stand stronger than ever, ready to seize the future with the same resilience that brought us here.

Profitability is just the beginning.

Our journey has been meticulously planned and strategically executed, paving the way for a future brimming with possibilities.

As we turn the page,  
We are setting our sights on growth

# GROWTH THAT GOES BEYOND THE BOTTOM LINE—GROWTH THAT IMPACTS MARKETS, COMMUNITIES, AND THE WORLD AT LARGE.

# ABOUT US

Surani Steel Tubes Limited is a leading manufacturer and supplier of premium ERW pipes and steel tubes. Founded in July 2012, the company leverages decades of industry expertise to deliver exceptional products and services. Our team of seasoned steel professionals is committed to establishing Surani Steel as a premier provider to a diverse range of industrial sectors.

ERW MS pipes and steel tubes have become indispensable components in modern industries, from agriculture and construction to chemicals and beyond. Recognising this critical role, Surani Steel has emerged as a dedicated supplier of top-quality solutions. Since our inception, we have focused on manufacturing and delivering ERW pipes that meet the highest industry standards.

Our company is guided by experienced professionals with a proven track record in ERW pipe production. We consistently produce a superior range of ERW pipes by combining advanced technology with state-of-the-art manufacturing facilities. Our commitment to excellence is reflected in the quality and reliability of our products.



## Our Vision

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



## Core Purpose

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



## Our Strength

- Our team is skilled and motivated.
- Leaders in our manufacturing section excel in utilising top talent.
- We are dedicated to delivering high-quality products.
- We never compromise on quality, setting us apart from competitors.
- We use cutting-edge technology to produce an excellent range of ERW pipes and steel tubes.
- Our supplies are significant and reliable.
- Our business is built on trust, integrity, and mutual benefits.
- We prioritise our clients and continually enhance our services.
- We use superior raw materials and advanced machinery for production.
- Our use of fine-grade materials and high-level machinery distinguishes our products.





## Key Numbers

**64**

Team size

**27,323.35**

Sales Volume (MT)

**15,513.54**

Revenue from operations (₹ in lakh)

**118.80**

EBITDA (₹ in lakh)

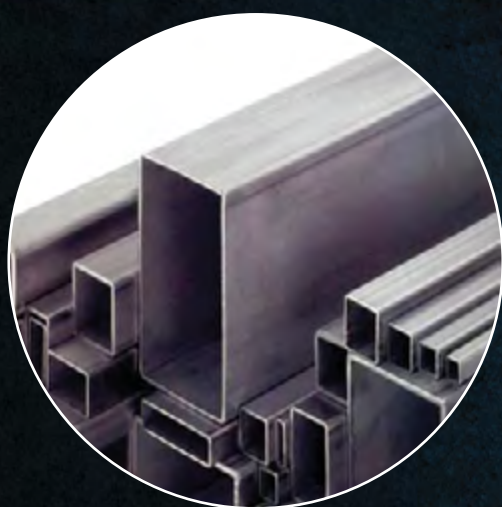
**50.11**

Profit after Tax (₹ in lakh)

**5,500.79**

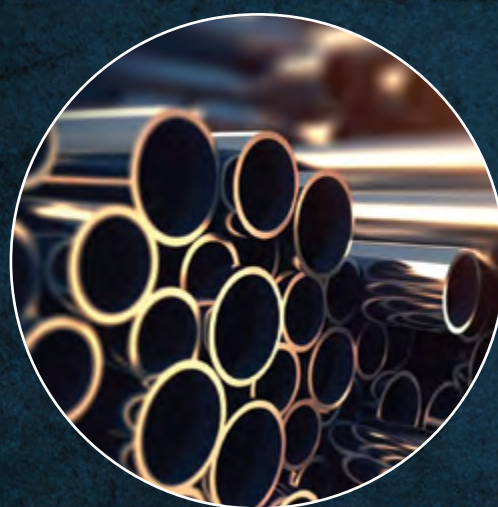
Networth (₹ in lakh)

# Our Products



## Square & Rectangle Hollow Section

As a leading organisation in the industry, we specialise in manufacturing and supplying premium Electric Resistance Welded Pipes. Renowned for their exceptional strength, flawless finish, and resistance to corrosion, our products are highly sought after in the market. Each pipe undergoes rigorous testing by our dedicated team of quality inspectors to ensure it meets the highest standards. Our Electric Resistance Welded Pipes are extensively utilised in plumbing, water supply systems, and oil and gas transmission systems.



## ERW Round Pipes & Tubes

We are a leading manufacturer and supplier of high-quality MS Pipes and Steel Tubes. Our products are meticulously engineered using advanced technology and state-of-the-art machinery. Renowned for their exceptional tensile strength, precise dimensions, and corrosion resistance, our MS Pipes are widely employed in irrigation, oil and gas transportation, sewage systems, and boiler applications.

Our Steel Tubes are crafted from premium-grade steel sourced from trusted vendors. These tubes exhibit superior strength, durability, and leak-proof performance, making them ideal for underground transportation of water and gas. We offer a comprehensive range of sizes and diameters to cater to diverse customer needs. Our team of skilled professionals ensures that all our products meet the highest industry standards.



### MS Slit Coils & Strips

With years of industry experience, we are proficient in manufacturing and supplying a comprehensive range of Mild Steel Coils. Produced from high-grade steel, our coils exhibit exceptional tensile strength and corrosion resistance. Widely utilised across agriculture, construction, medical, and various engineering sectors, these coils are available in a variety of standard and customised dimensions to meet diverse industry requirements.



### Hot Roll Coils

We are a leading manufacturer and supplier of premium Hot Rolled MS Coils. Leveraging our extensive industry experience, we produce our coils in state-of-the-art facilities adhering to stringent industry standards. Known for their robust construction, exceptional performance, and superior heat and corrosion resistance, our Hot Rolled MS Coils are widely utilised in demanding industrial applications. We offer a diverse range of coil sizes and specifications to meet the precise needs of our clients.



# Industries we serve

Renowned for our steadfast quality and timely service, we have earned the trust of leading businesses in diverse sectors. Our strategic infrastructure guarantees consistent excellence in every delivery.

			
Infrastructure	Defence	Energy and Engineering	Irrigation and Agriculture
			
Power Distribution	Highways	Bridges and Flyovers	Airport
			
Heavy Vehicles	Water Distribution	Construction and Building Materials	Solar Energy
			
Oil & Gas	Automotive Industry	Wire & Cable	Petrochemical Industry



# Our Competitive Advantage



## Experienced Leadership and Proven Expertise

Our company benefits from a seasoned management team that has driven our growth and established a strong market reputation. Our promoters and senior leadership's deep industry knowledge allows us to capitalise on existing and emerging opportunities within the sector.



## Commitment to Quality

Quality is a cornerstone of our business philosophy. Our management team is steadfast in its dedication to minimising quality defects through rigorous processes and systems. Our company's quality certifications are a testament to our consistent pursuit of excellence.



## Diverse Product Portfolio

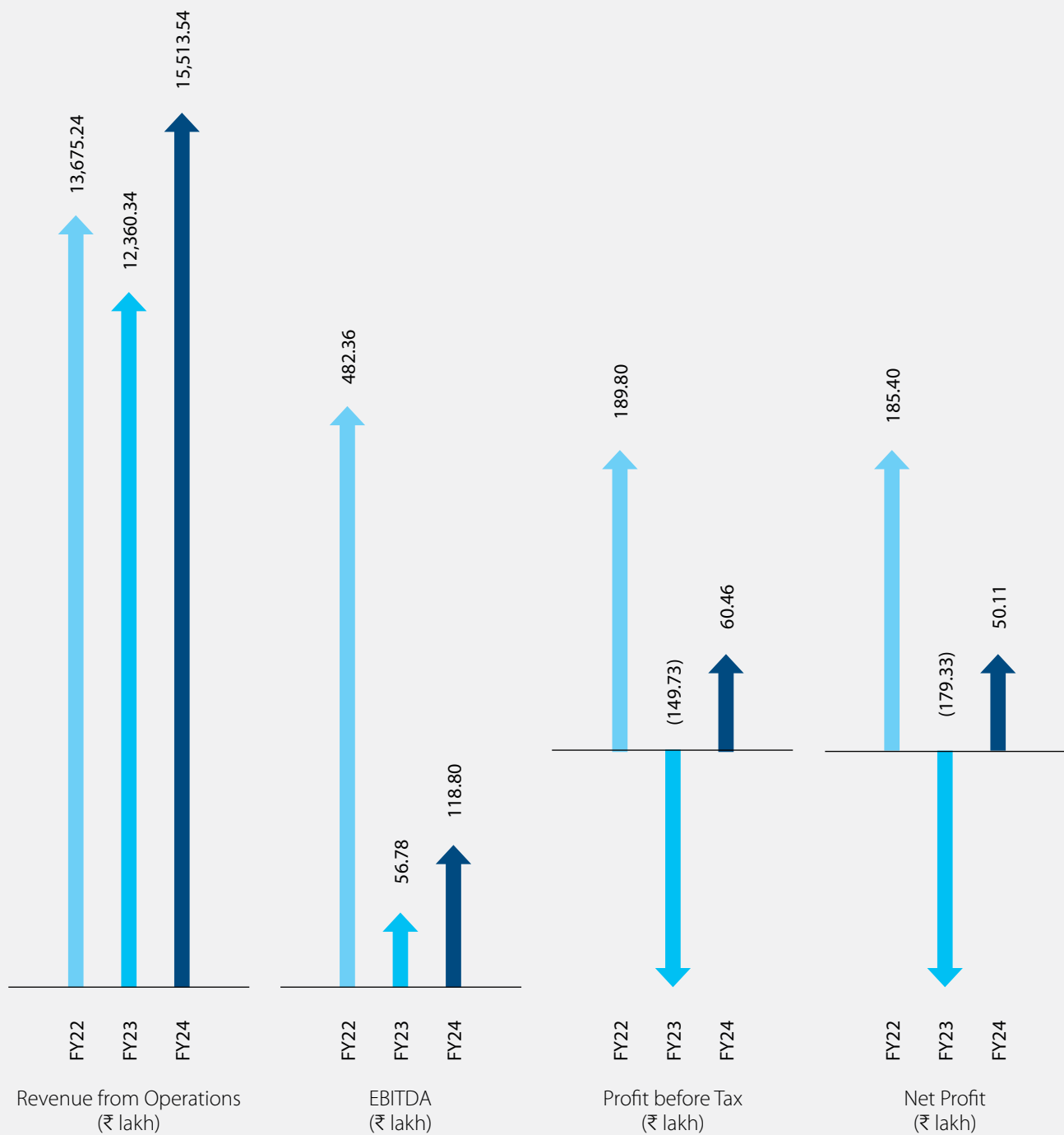
To meet the varied needs of our customers, we offer a comprehensive range of pipes in sizes from 20 Nb to 100 Nb. Our products find applications across engineering, architectural, and infrastructure sectors.

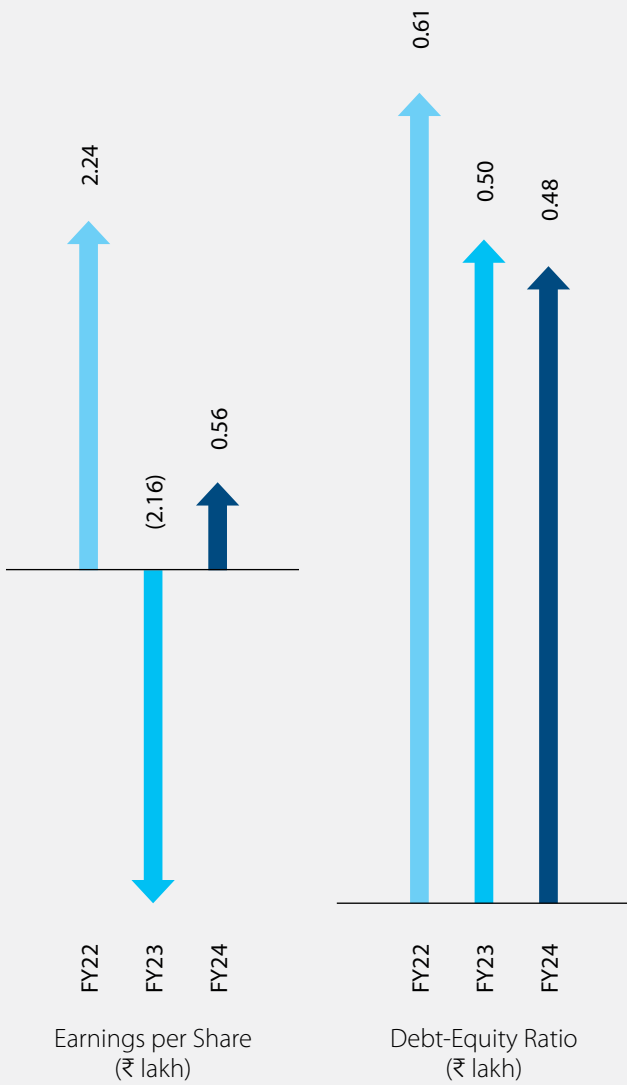


## Strategic Location

Our manufacturing facility is strategically located in Dahegam, Gandhinagar, Gujarat, and provides excellent connectivity to major markets across India.

# Key Performance Indicators





## Statement from the Managing Director



“This year not only highlights our significant progress but also sets a strategic framework for our continued efforts. It serves as a guiding vision, reinforcing our commitment to driving sustained growth and innovation as we work towards creating a brighter and more prosperous future.”



## Dear Shareholders,

I am delighted to present the Annual Report for the fiscal year 2023-24. This report reflects our unwavering dedication to strategic business excellence and underscores our ongoing commitment to fostering a sustainable future. It encapsulates our achievements, challenges, and the significant strides we have made in pursuing long-term success.

The Company has demonstrated strong financial performance, evidenced by a substantial increase in revenue from operations, which surged by 25.5%, from ₹12,360.34 lakh in the previous year to ₹15,513.54 lakh in FY24. This growth is a testament to our strategic initiatives to enhance operational efficiency and expand our market presence. A significant achievement during the year is the reduction in the cost of materials consumed, which now stands between 90-95% of revenues, a marked improvement from the 97% recorded in the previous fiscal year. This improvement highlights our success in optimising procurement processes and better-managing supply chain dynamics.

We have also taken major steps in reducing our financial costs, which decreased dramatically from ₹112.34 lakhs in FY 2023 to a mere ₹10.70 lakhs in the current fiscal

year. This remarkable reduction is primarily attributable to the previous management's settlement of all working capital facilities, paving the way for a more robust financial position under the new leadership.

In addition, the current fiscal year witnessed a notable decrease in depreciation expenses by 49.60%, from ₹94.19 lakhs to ₹47.47 lakhs. This decline is largely due to the sale of certain assets by the former management. However, it is important to emphasise that the new management is committed to strategic reinvestment in the business. We actively make targeted investments to broaden our product range, ensuring our offerings remain competitive and aligned with evolving market needs.

Our new management team brings a wealth of experience in the structural steel tubes and pipes industry. This expertise has allowed us to leverage a broader network of suppliers, resulting in lower raw material costs and an expanded dealer network and clientele. We are also implementing process improvements to ensure the highest quality standards in our products, reinforcing our reputation for excellence in the industry.

Our product portfolio is diverse and robust, comprising various SKUs of steel pipes and value-added products. These

products serve a range of applications across multiple industries, including architectural, infrastructural, industrial, and engineering sectors. We have further bolstered our product offerings with the addition of low-pressure water and gas pipes, greenhouse structures, and solar module mounting structures, ensuring that we cater to the growing needs of our clients in these critical areas.

In conclusion, I am confident that the strategic initiatives and investments made by the new management will drive sustained growth and value creation for all stakeholders in the years to come. We remain committed to delivering high-quality products and services while maintaining our focus on innovation, operational excellence, and sustainability.

I sincerely thank our stakeholders for their steadfast support and our employees for their unwavering dedication. Their collective efforts have been pivotal to our success thus far. We highly value these partnerships and eagerly anticipate reaching new milestones together in the future.

Warm regards,  
**Vijay Singla**  
*Managing Director*



## Management, Discussion & Analysis

### Indian Economy

India's economy has achieved a remarkable milestone, with its Gross Domestic Product (GDP) surging by 8.2% in the fiscal year 2024, solidifying its position as the world's fastest-growing major economy, once again, three times in a row.

The manufacturing sector played a pivotal role in this extraordinary growth, boasting an impressive expansion rate of 9.9%. Additionally, increased government investment in infrastructure and a significant uptick in domestic consumption contributed to this remarkable economic upswing, collectively propelling India's economy to unprecedented heights.

Retail inflation was effectively managed at 5.4%, the lowest level since the COVID-19 pandemic. This achievement places India's retail inflation below the averages for emerging market and developing economies (EMDEs) and the global average. The decline in inflation was primarily due to a reduction in core inflation, which includes both goods and services.

India's foreign exchange reserves also saw a notable increase during FY 24. According to the Reserve Bank of India (RBI), reserves rose by US\$ 68 billion, influenced by substantial inflows from foreign portfolio investments and banking capital and valuation effects.

The country achieved a record high in overall exports, totalling US\$ 776.68 billion, surpassing the previous year's record of US\$ 776.40 billion. This increase was driven by a strong performance in services exports, which offset a 3.11% decline in merchandise exports.

Revenue collection from Goods and Services Tax (GST) surged 11.7% to ₹20.18 lakh crore for the fiscal year 2023-



24. The average monthly GST collection rose to ₹1.68 lakh crore, compared to ₹1.5 lakh crore the previous year. After accounting for refunds, the net GST revenue for FY 23-24 was ₹18.01 lakh crore, reflecting a year-on-year growth of 13.4%. This robust increase highlights significant improvements in GST revenue and tax collection efficiency.

### Outlook

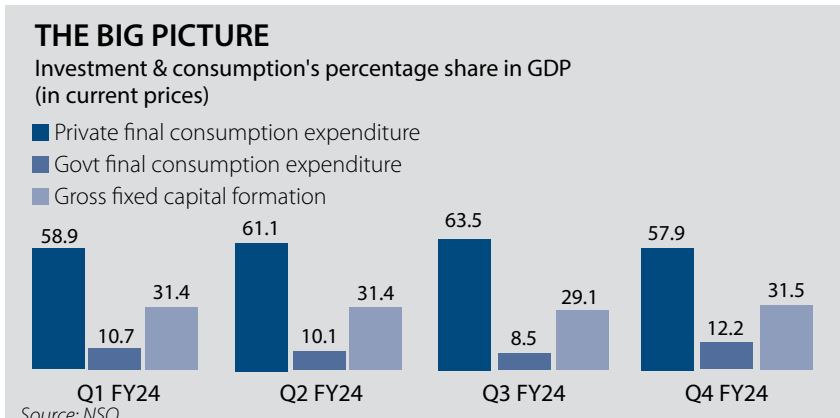
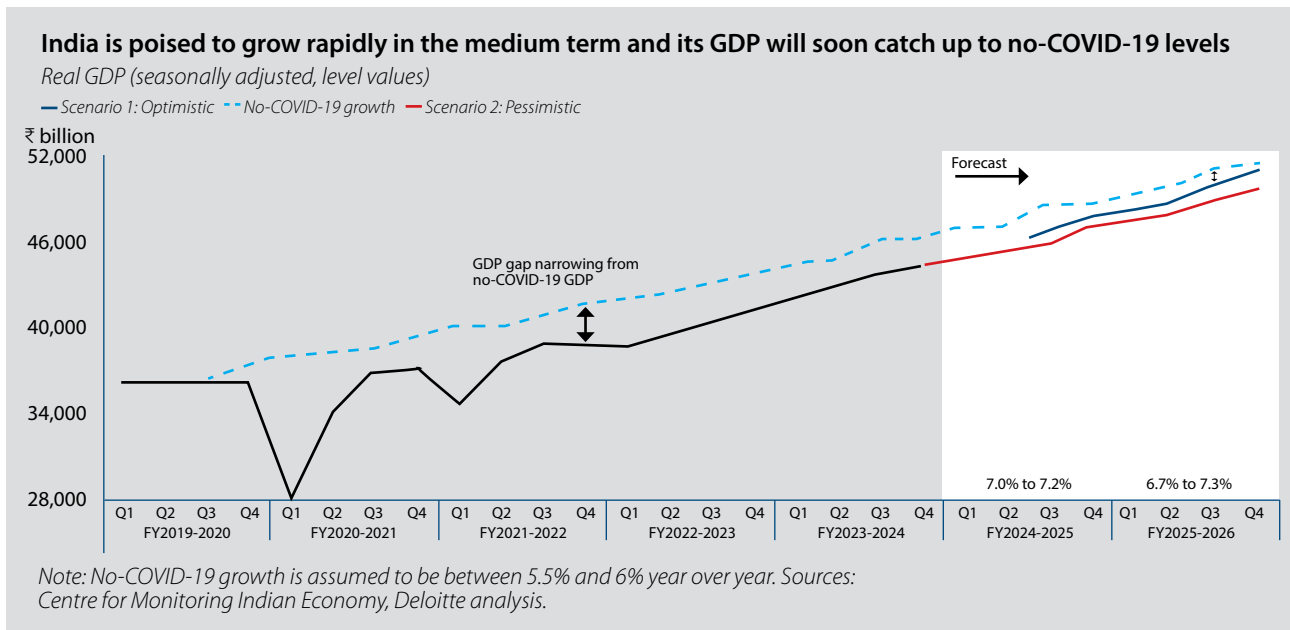
The International Monetary Fund (IMF) foresees India maintaining its position as the world's fastest-growing major

economy in 2024, with an updated growth forecast of 6.8%, up from the earlier projection of 6.5%. This revised estimate underscores India's resilience and potential for continued expansion despite global economic uncertainties.

The analysts are optimistic about India's economic trajectory, highlighting sustained strength in the services and industrial sectors. Notably, the construction and real estate industries are expected to play pivotal roles in this growth. As inflationary pressures

moderate, there will be opportunities for policymakers to adjust financial conditions to support economic stability.

Looking further ahead, a gradual reduction in India's fiscal deficit and government debt is well anticipated. This positive outlook is supported by strong economic growth and ongoing efforts by the government to consolidate fiscal resources, positioning India for long-term economic stability and development.





## Indian Infrastructure

India's aspiration to become a US \$26 trillion economy hinges significantly on advancements in key sectors, with infrastructure development playing a pivotal role in this growth trajectory. To achieve this, investments in infrastructure are crucial, particularly when aligned with initiatives aimed at enhancing the ease of doing business. This approach is essential for improving efficiency and managing costs effectively.

Infrastructure development remains a cornerstone of India's long-term goals for 2047. The government has committed a substantial 3.3% of GDP and a ₹23 lakh crore investment for 2023-2024. Capital spending on infrastructure has nearly doubled, increasing from 1.6% of GDP in 2018-19 to 3.2% in 2023-24.

### Government Initiatives

The Indian government has strongly committed to infrastructure development through several major initiatives. The US\$ 1.3 trillion Gati Shakti national master plan stands out as a cornerstone, setting the stage for systemic and impactful reforms in the sector. This initiative has already shown substantial progress in transforming infrastructure systems.

Infrastructure development is prioritised to meet the ambitious goal of reaching a US\$ 5 trillion economy by 2025. Key initiatives include the National Infrastructure Pipeline (NIP), along with 'Make in India' and the production-linked incentives (PLI) scheme, all designed to support the sector's growth.

### Financial Commitments and Projections

In the Interim Budget 2024-25, the capital investment allocation for infrastructure increased by 11.1% to ₹11.11 lakh crore (US\$ 133.86 billion), representing 3.4% of GDP. For FY 2023-24, the capital outlay for



Railways has been set at ₹2.55 lakh crore (US\$ 30.72 billion), marking a 5.8% increase from the previous year.

The National Infrastructure Pipeline, which initially started with 6,835 projects, has expanded to 9,142 projects spanning 34 sub-sectors. Currently, 2,476 projects are in the development phase with an estimated investment of US\$ 1.9 trillion. Notably, nearly half of these projects are focused on transportation, with 3,906 specifically dedicated to roads and bridges.

### Impact on Steel Demand

Given its status as the largest steel consumer, the infrastructure sector is a key beneficiary of the government's focus. This has propelled steel consumption in India, even amidst a subdued global market.

Deloitte projects a robust 5-7.3% CAGR in overall steel demand over the next decade, reaching 221-275 million tonnes by FY34. The government's initiatives, including Gati Shakti, 'Make in India', and other flagship programs, are expected to fuel steel consumption across the country, including in rural areas.

The development of 11 industrial corridors under the Gati Shakti master plan is anticipated to be a significant driver of steel demand in the coming years.

The concerted effort towards infrastructure development, supported by substantial financial investments and strategic initiatives, is set to be a key driver of India's economic growth. As infrastructure expands, it will not only enhance economic efficiency but also stimulate significant growth in related sectors such as steel, underscoring the integral role of infrastructure in India's journey towards becoming a global economic powerhouse.

According to provisional statistics, steel consumption grew 13.6 per cent in FY24, reaching 136 million tonnes (mt), according to a CRISIL report. The upward trend was supported by 'strong' finished steel production, which increased 12.7 per cent year-on-year, reaching 139 mt, the report said.

Source  
<https://www.ibef.org/industry/infrastructure-sector-india>  
<https://economictimes.indiatimes.com/industry/indl-goods/svs/steel/govts-infra-push-to-steer-steel-demand-to-221-275-million-tonnes-by-fy-34-report/articleshow/111514498.cms?from=mdr>



## Indian Water Infrastructure

### Growing Water Demands and Challenges

India's rapid socio-economic growth over recent decades has significantly increased the demand for water across various sectors, including agriculture, industry, and domestic use. Groundwater, which plays a critical role in meeting these needs, is facing depletion due to factors such as global warming and over-extraction. The decreasing availability of surface water, especially during the summer months, has intensified the reliance on groundwater resources. This trend underscores the pressing need for sustainable management practices to ensure the long-term availability of water.

### Market Trends and Projections

The water infrastructure construction market, valued at USD 69.8 billion in 2023, is projected to expand to USD 107.4 billion by 2030. This growth represents a compound annual growth rate (CAGR) of 8.2% during the forecast period from 2024 to 2030.

### Government Initiatives and Funding

In response to the burgeoning demand for water infrastructure, the Indian government is actively investing in the sector. Annual Union Budget allocations are substantial, supporting initiatives aimed at improving water infrastructure.

#### Key programs include:

- **Jal Jeevan Mission (JJM):** Launched in August 2019, this mission focuses on providing safe and adequate drinking water to all rural households. As of the end of 2023, the mission has successfully connected nearly 14 crore households, marking significant progress from 11 crore connections at the beginning of

the year. For 2023-24, the government has allocated a gross budgetary support of ₹70,000 crore for JJM.

- **Atal Mission for Rejuvenation and Urban Transformation (AMRUT):** This scheme is dedicated to improving urban water supply and infrastructure.
- **National Mission for Clean Ganga (NMCG):** This mission focuses on rejuvenating the Ganga River, aiming to improve water quality and availability.

These initiatives, along with other focused projects, are enhancing access to safe, reliable, and affordable tap water through network augmentations, treatment upgrades, metering improvements, and reduction of water losses.

Source: <https://constructiontimes.co.in/water-future-addressing-indias-water-needs>



## Oil and Gas Pipelines

Pipelines are the backbone of India's energy transportation system, which is crucial in safely and efficiently delivering oil, gas, and petroleum products across the nation. This extensive network ensures a steady flow of these vital resources from production sites to refineries, industrial hubs, and, ultimately, to consumers.

### Natural Gas Grid: Powering the Nation

India prioritises an interconnected National Gas Grid to guarantee the accessible and equitable distribution of natural gas throughout the country.

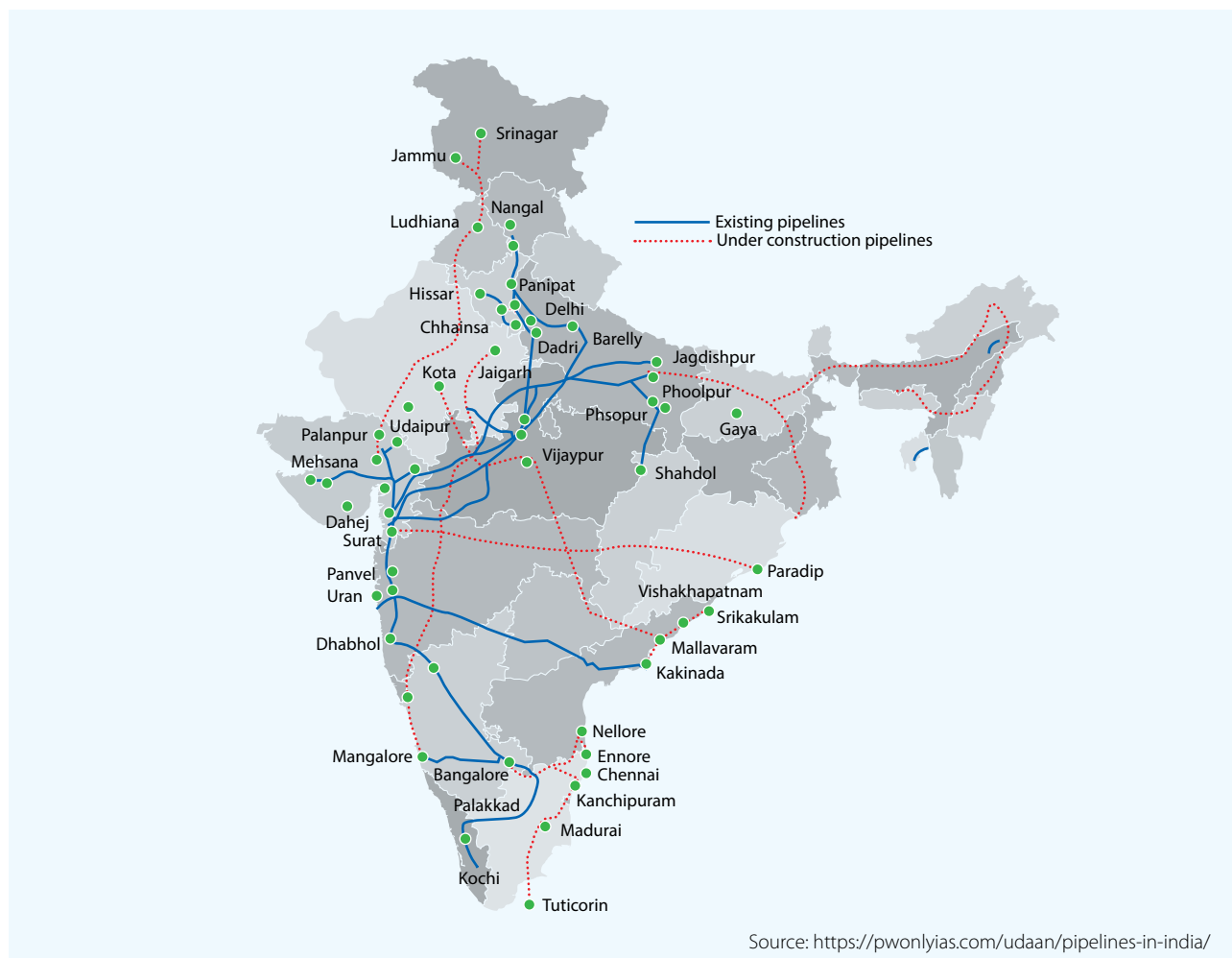
Currently, a network of approximately 17,000 km of operational pipelines exists. To achieve the vision of a National Gas Grid, an additional 15,500 km are under development. This expansion will ensure easy availability of natural gas across all regions, potentially fostering uniform economic and social progress.

### India: A Leader in Pipeline Development

According to Global Energy Monitor, India is a major player in global oil pipeline development, ranking among the top five. This commitment is evident in the

ongoing construction of 1,630 km of pipelines, placing India second globally in this category. Additionally, India has proposed an additional 1,194 km, securing the 10th spot internationally.

Pipelines underpin India's energy infrastructure, facilitating development and economic growth by ensuring the efficient and reliable movement of crucial resources like oil and gas. With ongoing and proposed projects, India continues to be a leader in pipeline development, paving the way for a more secure and prosperous future.





## Steel Industry

Steel has long been a cornerstone of industrialisation, serving as a fundamental raw material and an essential intermediary product. Its production and consumption are often used as key indicators of a nation's economic progress. In this context, the steel industry is not merely a sector but a driving force behind industrial advancement and economic growth.

The Indian steel industry exemplifies modernity with its advanced steel mills and ongoing commitment to modernisation. This includes continuous upgrades to enhance energy efficiency and optimise older plants.

In FY24, India's production metrics reflected substantial activity: crude steel production reached 143.6 million tonnes

(MT), while finished steel production totalled 138.5 MT. During the same period, finished steel consumption amounted to 135.90 MT. Furthermore, the per-capita steel consumption in FY23 was recorded at 86.7 kilograms, highlighting steel's significant role in industry and everyday life.

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

## Steel Pipes and Tubes

India's steel pipes and tubes market is experiencing robust growth, with its valuation estimated at USD 32.88 billion in 2023. This sector is poised to expand at a CAGR of 6.43% between 2024 and 2030, reaching a projected value of USD 37.69 billion by 2030.

Several factors are driving this upward trend, including the burgeoning oil and gas industry, increased global demand for steel pipes, a thriving transportation sector, and a construction industry rebounding from the pandemic's impact. Moreover, substantial investments in research and development to enhance production capabilities further fuel market growth.

The India Steel Pipes and Steel Tubes Market is experiencing considerable growth due to the implementation of stringent environmental regulations.

Increasing environmental awareness and introducing rigorous emission and energy use standards are pivotal in shaping the market dynamics. The steel industry is under escalating pressure to reduce its carbon footprint and enhance sustainability across manufacturing processes. In response, steel tube manufacturers are adopting eco-friendly practices, incorporating recycled materials, and improving energy efficiency in production.

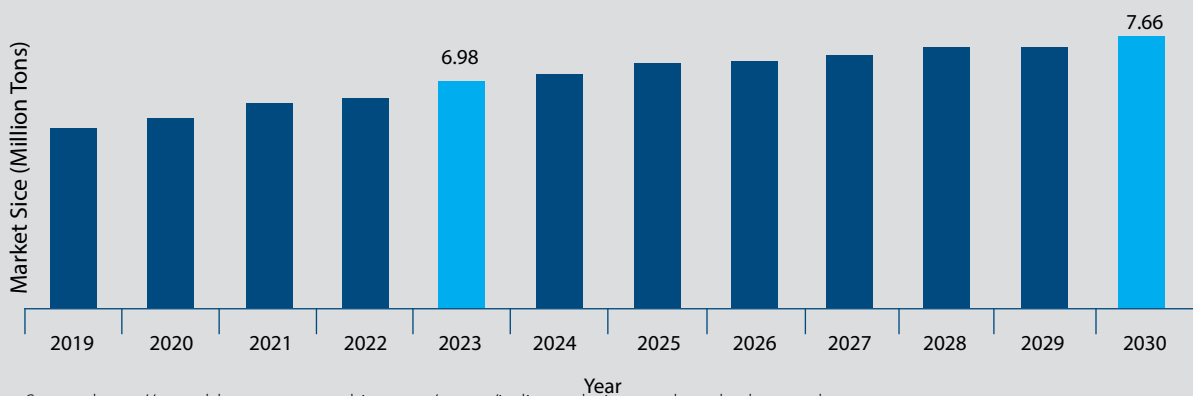
A growing demand for lightweight, high-strength steel tubes contributes to better energy efficiency and a reduced environmental impact. This trend aligns with regulatory requirements and meets the evolving preferences of consumers and industries for more sustainable products. As a result, these factors drive market dynamics, foster innovation,

and encourage the adoption of green practices within the steel tube sector.

The oil and gas sector is the market's cornerstone, accounting for the largest revenue share. Steel pipes are indispensable for transporting gas and liquid across various applications, with low alloy or carbon steel being the primary material. The choice of pipe for specific applications hinges on critical factors such as inside diameter, ductility, yield strength, and pressure rating, highlighting their crucial role in diverse industrial processes.

In terms of volume, the market stood at 6.98 million tons in 2023 and is anticipated to reach 7.66 million tons by 2030. The steel pipes and tubes industry significantly contributes to India's overall steel consumption, constituting approximately 8% of the total.

**India Steel Pipes and Steel Tubes Market Size, By Volume (Million Tons), 2019-2030**





## Company Overview

Surani Steel Tubes Limited is a distinguished manufacturer and supplier of premium ERW pipes and steel tubes. Founded in July 2012, the Company leverages decades of industry expertise to deliver exceptional products. Led by seasoned professionals with a proven track record in ERW MS pipe and steel tube production, Surani is committed to becoming a leading provider to diverse industrial sectors. The company's state-of-the-art manufacturing facilities and advanced technology form the cornerstone of its operations.

## Human Resource

Surani Steel Tubes Limited is committed to cultivating a future-oriented workforce. By fostering a premier work environment and providing ample growth opportunities, the Company has assembled a high-performing team aligned with its mission and values. A strong emphasis on accountability and ownership empowers employees to actively contribute to the Company's success. As of 31st March, 2024, the Company had [] employees.

## Financial Performance

Ratio	As at March 31, 2024	As at March 31, 2023	% variance
Current Ratio (times)(Note 1)	2.72	2.03	33.87%
Debt – Equity Ratio (times)	0.48	0.50	-3.59%
Debt Service Coverage Ratio (Times)(Note 2)	0.10	0.04	154.48%
"Return on Equity (ROE) (%) (Note 3)"	0.90%	-7.57%	-111.91%
Inventory turnover ratio (Times)(Note 4)	3.73	5.41	-30.97%
Trade receivables turnover ratio (Times)(Note 5)	21.25	13.49	57.58%
Trade payables turnover ratio (Times)(Note 6)	50.67	19.56	159.02%
Net capital turnover ratio (Times)(Note 7)	3.21	7.85	-59.15%
Net profit ratio (%) (Note 8)	0.00	-0.01	-122.26%
Return on Capital employed (Times)(Note 9)	0.01	-0.01	-150.30%
Return on investment (%)	N. A.	N. A.	N. A.

### Explanation for change in the ratio by more than 25%

1. The current assets are increased compared to increase in current liability, hence there is increase in ratio.
2. Debt service coverage ratio increase due to increase in EBITDA.
3. Return on equity ratio higher due to increase in net profit after tax.
4. It has reduced because of considerable increase in inventory vis-à-vis turnover.
5. Trade receivables turnover ratio increased due to lower trade receivable and increased turnover.
6. Trade payable turnover ratio increased due to lower trade payable and increased purchases.
7. It has reduced because of considerable increase in average working capital vis-à-vis turnover.
8. Due to increase in profit after tax for current year as compared to previous year.
9. Due to increase in earnings before tax and finance costs as compared to previous year.

## Internal Control System and Adequacy

Surani Steel Tubes Limited has implemented a comprehensive internal control framework commensurate with its size and operations. Designed to ensure the reliability of financial and operational information, compliance with regulations, asset protection, and adherence to corporate policies, the system encompasses all critical business functions.

The company's advanced ERP system and robust procedures facilitate accurate financial and operational reporting while meeting statutory requirements. The internal audit function conducts regular assessments of business operations, promptly reporting findings to management. Internal audit reports are subjected to thorough review by management and the Audit Committee, with necessary corrective actions implemented.

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## Environment, Social And Governance (Esg) Responsibility

Surani Steel Tubes Limited proactively involves itself in community engagement to foster social development and contribute to societal advancement. Improving a company's environmental impact is not only essential for the planet but also increasingly important for business success. Companies with robust ESG practices tend to perform better financially over the long term. It's not just about doing good; it's also smart business. With a firm commitment to environmental conservation, the Company advocates for renewable energy sources.

At Surani Steel Tubes Limited, fostering a positive and inclusive work environment is of utmost importance, with a focus on promptly addressing stakeholder grievances and concerns. The Company is dedicated to ensuring customer satisfaction, prioritising employee safety, and well-being and fostering enhanced stakeholder engagement through meaningful interactions

In its pursuit of objectivity and transparency, the Company entrusts reputable firms with the oversight of diverse audit functions. With statutory, internal, and secretarial audits conducted by distinct entities and fortified by the vigilant oversight of independent Board members, Surani Steel Tubes Limited maintains a robust and transparent governance framework.

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## Risk Management

Surani Steel Tubes Limited's risk strategy is underpinned by a carefully defined risk appetite shaped by factors such as industry conditions, available liquidity, and earnings targets within acceptable volatility levels. These parameters serve as a benchmark for the Company's operating divisions.

The company's risk management framework is integrated into strategic and operational functions, proactively focusing on identifying, assessing, and mitigating current and emerging risks. This approach aims to enhance the business model's resilience and sustain profitable growth.

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### Cautionary statement

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



# Corporate Information

## BOARD OF DIRECTORS

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

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

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

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

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

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

## CHIEF FINANCIAL OFFICER (CFO)

**Ms. Pavni Singla**  
(appointed w.e.f. August 24, 2023)

## COMPANY SECRETARY AND COMPLIANCE OFFICER

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

## STATUTORY AUDITORS

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

## SECRETARIAL AUDITORS

**SV Associates, Company Secretaries**  
COP No. : 14791  
COST AUDITOR  
**M/s. Balwinder & Associates, Cost Accountants**  
(FRN:000201)

## INTERNAL AUDITORS

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

## BANKERS

**HDFC Bank Ltd.**, Navrangpura, Ahmedabad

## REGISTERED OFFICE

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

## CORPORATE IDENTITY NUMBER

L27109GJ2012PLC071373

## WEBSITE

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

## INVESTOR SERVICES EMAIL ID:

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

## REGISTRAR AND SHARE TRANSFER AGENT

**Link Intime India Private Limited**

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

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

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



# Board of Directors



**Mr. Vijay Singla**  
*Managing Director*

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



**Mr. Chetan Singla**  
*Joint Managing Director*

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



**Ms. Pavni Singla**  
*Whole Time Director & Chief Financial Officer*

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



**Mrs. Sangeeta Mehtani**

*Non-Executive Independent Director*

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

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



**Mr. Kailash Garg**

*Non-Executive Independent Director*

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

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



**Mr. Gurpreet Singh Bhatia**

*Non-Executive Independent Director*

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

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

# The Management Team



## **Mr. Mohinder Singh**

### ***Company Secretary***

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



## **Mr. Ronak Mistry**

### ***Sales & Marketing Head***

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



## **Ankur Patel**

### ***Operations Manager***

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



# DIRECTOR'S REPORT

Dear Members,

The Board of Directors takes immense pleasure in presenting the 12th Annual report of the Company on business operation of "Surani Steel Tubes Limited along with the summary of the audited financial statements for the financial year ended 31st March, 2024 as given below:

## COMPANY OVERVIEW:

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

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

## FINANCIAL HIGHLIGHTS:

The highlights of the financial performance of the Company for the Financial Year ended 31st March, 2024 as compared to the previous financial year are as under: -

Particulars	Standalone	
	For the Financial Year 31st March, 2024	For the Financial Year 31st March, 2023
Revenue from Operations	15513.54	12360.34
Other Income	79.13	21.08
Total revenue	15592.68	12381.41
Operating Profit (Before Finance Cost and Depreciation & Amortization)		56.80
Less: Finance Cost	10.70	112.34
Profit before Depreciation & Amortization		(55.54)
Less: Depreciation & Amortization	47.64	94.19
Profit before Exceptional and Extraordinary item and Tax	60.46	(149.73)
Less: Exceptional items	0.00	0.00
Profit before Tax	60.46	(149.73)
Less/(Add): Current Tax	9.43	37.00
Less/(Add): MAT credit Entitlement	(9.43)	-
Less/(Add): Deferred Tax liability/(Assets)	(10.42)	-7.40
Less/(Add): Prior period tax Adjustment	20.77	0.00
Profit after Tax	50.11	(179.33)
Earnings Per Share		
Basic	0.56	-2.16
Diluted	0.44	-2.16

₹ in lacs

## STATE OF COMPANY'S AFFAIRS

### OPERATIONAL/FINANCIAL PERFORMANCE:

During the Financial Year 2023-24. Your Company achieved an operational Turnover of ₹ 15513.54 Lakhs as compared to ₹ 12360.34 Lakhs in the previous Financial Year, and Profit after Tax for FY 2023-24 ₹ 50.11 Lakhs as compared to Net Losses of ₹ 179.33 Lakhs in the previous Financial Year.

### TRANSFER TO RESERVES:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review. The closing balance of reserves, including retained earnings, of the Company as at March 31, 2024 is ₹ 50.11 Lakhs.

### CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of the business of the Company.

**DIVIDEND:**

No Dividend has been declared by the Company for the Financial year ending 31st March, 2024.

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

As required under the provision of the Section 124 & 125 and other applicable provisions of the Act, dividends that remain unpaid / Unclaimed for a period of consecutive 7 years, are required to be transferred to the account administered by the Central Government viz. Investor Education and Protection Fund ("IEPF"). Further, according to the said Rules, the shares on which Dividend has not been encashed or claimed by the Members for 7 consecutive years or more shall also be transferred to the Demat account of the IEPF Authority. In terms of the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 / Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, there were no amounts or shares requiring transfer to Investor Education and Protection Fund during the year 2023-24.

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

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

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

Members may take note that during the year 2023-24, Mr. Vijay Singla, Mr. Chetan Singla and Ms. Santosh Rani ('the acquirers') have entered into Sale Purchase Agreement (SPA) with the promoters of the Surani Steel Tubes Limited ("Target Company") Company for acquisition of 28,14,000 Equity Shares representing 33.97% of the Paid-up Equity Share Capital of the Company.

Further The Acquirers have made this open offer to acquire upto 33,13,600 (Thirty Three Lakh Thirteen Thousand and Six Hundred) Fully Paid-Up Equity Shares representing 40.00% of the Paid up Equity Share Capital of the target Company at an Offer Price of INR 44/- per fully paid-up equity share payable in cash. Total 19,64,000 equity shares representing 23.70% of the Paid Up Equity Share Capital of the Company.

Pursuant to change in control over the Company, the management of the Company also got changed and changes were made in the Board of Directors of the Company. (Details of changes in Board of Directors is given under the head Board of Directors and Key Managerial Personnel below).

**b. CHANGES IN THE CAPITAL STRUCTURE****AUTHORISED SHARE CAPITAL**

The Authorised Share Capital as on March 31, 2024 stands at ₹ 25,00,00,000/- (Rupees Twenty Five Crores only) divided into 2,50,00,000 (Two Crore Fifty Lakh Shares) Equity Shares of ₹ 10/- (Rupees Ten only) each.

During the year 2023-24 the Authorised share capital of the Company increased twice from ₹ 9,00,00,000/- (Rupees Nine Crores only) divided into 90,00,000 (Ninety Lakhs) equity shares of ₹ 10/- (Rupees Ten only) each to ₹ 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two crores) equity shares of ₹ 10/- (Rupees Ten only) each, and from ₹ 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two crores) equity shares of ₹ 10 (Rupees Ten only) each to ₹ 25,00,00,000/- ( Rupees Twenty Five Crore only) divided into 2,50,00,000 (Two Crore Fifty Lakh Shares ) Equity Shares of ₹ 10/- (Rupees Ten only) each.

**ISSUED, PAID UP SUBSCRIBED & SHARE CAPITAL**

The Paid Up Capital as on March 31, 2024 stands at ₹ 10,63,40,000 (Rupees Ten Crores Sixty Three Lakhs Forty Thousand only) divided into 1,06,34,000 (One Crore Six Lakhs Thirty Four Thousand only) equity share of ₹10 /- each. During the year, the Company has allotted 23,50,000 (Twenty Three Lakhs Fifty Thousand only) equity shares having face value of ₹ 10/- each on account of exercise of conversion option exercised by warrants holders, non-promoter, public category.

As a result, the paid up share capital of the Company increased from ₹ 8,28,40,000/- (Rupees Eight Crores Twenty Eight Lakhs Forty Thousand only) divided into 82,84,000 (Eighty Two Lakhs Eighty Four Thousand only) equity shares of face value of ₹ 10/- each to ₹ 10,63,40,000 (Rupees Ten Crores Sixty Three Lakhs Forty Thousand only) divided into 1,06,34,000 (One Crore Six Lakhs Thirty Four Thousand only) equity shares of face value of ₹ 10/- each.

Out of total 23,50,000 equity shares the Listing and Trading approval for 12,04,000 (Twelve Lakh Four Thousand) equity shares were received in FY 2023-24 and the balance 11,46,000 (Eleven Lakh Forty Six Thousand) equity shares got Listing and Trading approval post closure of FY 2023-24 with NSE.

**ISSUE OF CONVERTIBLE WARRANTS ON PREFERENTIAL BASIS:**

Pursuant to the applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Preferential Issue Committee at its meeting held July 04, 2023 made allotment of 72,64,036



(Seventy Two Lakhs Sixty Four Thousand and Thirty Six only) Fully Convertible Warrants having face value of ₹10/- each at a premium of ₹ 125/- per warrants carrying a right to subscribe to one Equity Share per Warrant, for cash at an issue price of ₹ 135/- (Rupees One Hundred Thirty Five only) per warrant by way of preferential allotment to Non-Promoter, Public Category.

#### SWEAT EQUITY SHARES:

During the Financial Year no shares were issued as Sweat Equity Shares under any Scheme.

#### DIFFERENTIAL VOTING RIGHTS

The Company does not have Equity shares with differential voting rights and have not issued any shares with differential voting rights during the Financial Year 2023-24.

#### EMPLOYEE STOCK OPTIONS

During the Financial Year 2023-24 no shares were issued as the Employee Stock Options to the employees of the Company under any scheme.

#### LISTING INFORMATION:

The Equity Shares of the Company are listed in SME segment with the National Stock Exchange Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. The Annual Listing fee for the year 2024- 25 has been paid.

The ISIN No. of the Company is INE01ZJ01015.

#### DEPOSITS:

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

#### EXPORTS:

There was no Export during FY 2023-24.

#### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Following are the changes in the Board of Directors and KMPs of the Company during the FY 2023-24:

DIN/PAN	Name	Date of Event	Nature of event	Reason
08231737	Mr. Dineshbhai Dhanjibhai Patel	May 03, 2023	Resignation	Change in management of the Company
08228689	Mrs. Hetika Sagar Chandni	May 03, 2023	Resignation	Change in management of the Company
00621993	Mr. Karshanbhai Patel	May 03, 2023	Resignation	Change in management of the Company
00156801	Mr. Vijay Singla	May 03, 2023	Appointment	Appointed as Additional Director
00549795	Mr. Chetan Singla	May 03, 2023	Appointment	Appointed as Additional Director
10124839	Mrs. Sangeeta Mehtani	May 03, 2023	Appointment	Appointed as Additional Independent Director
10119925	Mr. Gurpreet Singh Bhatia	May 03, 2023	Appointment	Appointed as Additional Independent Director
10132246	Mr. Kailash Garg	May 03, 2023	Appointment	Appointed as Additional Independent Director
GPUPS6920A	Ms. Shwetal Ritesh Maliwal	May 03, 2023	Resignation	Change in management of the Company
BELPS5287P	Mr. Mohinder Singh	May 03, 2023	Appointment	Appointed as Company Secretary
05331136	Mr. Mukesh Patel	July 20, 2023	Resignation	Change in management of the Company
03585273	Mr. Dinesh Karshan Patel	July 20, 2023	Resignation	Change in management of the Company
BDAPP0110N	Mr. Gaurav Rajeshbhai Patel	August 24, 2023	Resignation	Resigned
10087877	Ms. Pavni Singla	August 24, 2023	Appointment	Appointed as Additional Director
HFWPK7352P	Ms. Pavni Singla	August 24, 2023	Appointment	Appointed as Chief Financial Officer

#### COMPOSITION OF BOARD OF DIRECTORS:

The Board of directors of the company consists of an optimum combination of executive and independent directors, to ensure the independent functioning of the Board. The composition of the Board also complies with the provisions of the Companies Act, 2013 and the Listing Regulations. As at the end of corporate financial year 2023- 24, the total Board consists of Six (6) directors, out of which Three (3) are Executive Directors including Three (3) are Independent Directors.

The Board structure of the Company comprises of following Directors and KMP as on March 31, 2024:

DIN/ PAN	NAME	DESIGNATION
00156801	Mr. Vijay Singla	Managing Director
00549795	Mr. Chetan Singla	Joint Managing Director
10087877	Ms. Pavni Singla	Whole-time Director
10124839	Ms. Sangeeta Mehtani	Independent Director
10119925	Mr. Gurpreet Singh Bhatia	Independent Director
10132246	Mr. Kailash Garg	Independent Director
HFWPK7352P	Ms. Pavni Singla	Chief Financial Officer (CFO)
BELPS5287P	Mr. Mohinder Singh	Company Secretary (CS)

None of the Directors on the Board of the Company as stated above for the Financial Year ended 31st March, 2024 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. The certificate for non-disqualification is attached as **Annexure-I**.

#### **DIRECTORS LIABLE TO RETIRE BY ROTATION AND BE ELIGIBLE TO GET RE-APPOINTED**

Pursuant to the provisions of section 152(6) and other applicable provisions of the Companies Act, 2013, Mr. Vijay Singla (DIN: 00156801), got appointed as Managing Director (Executive Category) on the board w.e.f 20th July, 2023, is liable to get retire by rotation at the ensuing 12th AGM, and being eligible to get re-appointed as Director of the Company in the ensuing AGM of the Company. Accordingly, requisite resolution shall form part of the Notice convening the AGM.

#### **INDEPENDENT DIRECTORS:**

Mrs. Sangeeta Mehtani (DIN: 10124839); Mr. Gurpreet Singh Bhatia (DIN: 10119925) and Mr. Kailash Garg (DIN: 10132246) were appointed as Additional Independent Directors in the Board meeting held on May 03, 2023. They were appointed as Non-executive Independent Directors on the Board for a term of 5 (Five) consecutive years, in the Extra-ordinary General Meeting of the Company held on July 31, 2023.

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

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

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be Independent Directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The confirmations were placed before and noted by the Board.

#### **MANAGING DIRECTOR, CFO AND CS:**

Mr. Vijay Singla (DIN: 00156801) and Mr. Chetan Singla (DIN: 00549795) were appointed as Additional Directors in the Board

meeting held on May 03, 2023 and were regularised as Directors of the Company in the Extra-ordinary General Meeting of the Company held on July 31, 2023.

Further, Mr. Vijay Singla was re-designated as Managing Director of the Company and Mr. Chetan Singla was re-designated as Joint Managing Director of the Company with effect from July 20, 2023 for a term of 3 (Three) years.

Mr. Gaurav Rajeshbhai Patel had resigned from the position of Chief Financial Officer (CFO) of the Company with effect from August 24, 2023.

Ms. Pavni Singla was appointed as the Chief Financial Officer (CFO) of the Company with effect from August 24, 2023.

Ms. Shwetal Ritesh Maliwal (M. No. A41344) had resigned from the position of Company Secretary and Compliance Officer of the Company with effect from May 03, 2023.

Mr. Mohinder Singh (M. No. A21857) was appointed as Company Secretary and Compliance officer of the Company with effect from May 03, 2023.

#### **NUMBER OF BOARD MEETINGS AND ATTENDANCE:**

The Board meets at regular intervals to discuss and take a view on the Company's policies and strategy apart from other Board matters. The notice for the board meetings is given well in advance to all the Directors.

During the Financial year ended March 31, 2024, the Board meetings were held on the following dates as mentioned in the table:

Sr. No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	03/05/2023	5	5
2	10/05/2023	7	6
3	26/05/2023	7	7
4	20/07/2023	7	6
5	24/08/2023	5	5
6	08/09/2023	6	5
7	14/11/2023	6	6
8	18/01/2024	6	5
9	08/02/2024	6	4

Frequency and Quorum at these Meetings were in conformity with the provisions of the Companies Act, 2013. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### **MEETING OF INDEPENDENT DIRECTORS:**

In Compliance with the Companies Act, 2013 and Secretarial Standards issued by Council of ICSI, the Independent Directors of the Company are required to hold at least one meeting in a calendar year without the attendance of Non-Independent Directors and Members of Management. Such meeting of Independent Directors of the Company was held on February 08, 2024 inter alia, to discuss:



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

All Independent Directors were present at the meetings of Independent Directors held on 08/02/2024.

Name of Member	Position	Status
Mr. Gurpreet Singh Bhatia	Chairman	Non-executive Independent Director
Mrs. Sangeeta Mehtani	Member	Non-executive Independent Director
Mr. Kailash Garg	Member	Non-executive Independent Director

### DIRECTORS APPOINTMENT, REMUNERATION AND ANNUAL EVALUATION

The Company has devised a Policy for Directors; appointment and remuneration including criteria for determining qualifications, performance evaluation and other matters of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of both Non-Executive Directors and Executive Directors.

The Company's Nomination & Remuneration policy which includes the Director's appointment & remuneration and criteria for determining qualifications, positive attributes, independence of the Director & other matters is available on the website of the Company at the link [www.suranisteel.com](http://www.suranisteel.com)

### COMMITTEES OF THE BOARD OF DIRECTORS:

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

The Board has constituted the following Committees:

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

\*Constituted on May 03, 2023

#### Audit Committee:

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

The Composition of Audit Committee is given below.

DIN	Name of the Director	Designation	Status
10119925	Mr. Gurpreet Singh Bhatia	Chairman	Independent Director
10124839	Mrs. Sangeeta Mehtani	Member	Independent Director
10132246	Mr. Kailash Garg	Member	Independent Director
00156801	Mr. Vijay Singla	Member	Executive Director

**Note:** Due to change in the Management of the Company Audit committee also got re-constituted during the financial year 2023-24 on May 03, 2023.

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



During the FY 2023-24, the Audit Committee of the Company met Six (6) times as mentioned in the table:

Sr. No.	Date of Committee Meeting	Strength of the Committee	No. of Members Present
1	10/05/2023	4	4
2	26/05/2023	4	4
3	24/08/2023	4	4
4	08/09/2023	4	3
5	14/11/2023	4	4
6	14/02/2024	4	3

#### Nomination and Remuneration Committee:

The Nomination and Remuneration Committee comprises of non-executive Independent Director and Director as its members. The Chairman of the Committee is an Independent Director. The Composition of Nomination and Remuneration Committee as on March 31, 2024 during the year are given below:

DIN	Name of the Director	Designation	Status
10124839	Mrs. Sangeeta Mehtani	Chairperson	Independent Director
10119925	Mr. Gurpreet Singh Bhatia	Member	Independent Director
10132246	Mr. Kailash Garg	Member	Independent Director
00156801	Mr. Chetan Singla	Member	Executive Director

**Note:** Due to change in the Management of the Company Nomination & Remuneration Committee also got re-constituted during the financial year 2023-24.

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

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of the performance of independent directors and the board of directors;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

No Complaint was received as well as pending during the financial year 2023-24.

During the year under review, the Nomination and Remuneration Committee of the Company met Three (3) times and the details are as follows:

Sr. No.	Date of Committee Meeting	Strength of the Committee	No. of Members Present
1	03/05/2023	3	3
2	20/07/2023	4	3
3	24/08/2023	4	4

#### STAKEHOLDER RELATIONSHIP COMMITTEE:

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

The Composition of Stakeholder and Relationship Committee is given below:

DIN	Name of the Director	Designation	Status
10119925	Mr. Gurpreet Singh Bhatia	Chairman	Independent Director
10124839	Mrs. Sangeeta Mehtani	Member	Independent Director
10132246	Mr. Kailash Garg	Member	Independent Director
00156801	Mr. Vijay Singla	Member	Executive Director

**Note:** Due to change in the Management of the company Stakeholder Relationship committee also got reconstituted during the financial year 2023-24



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

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

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

During the year under review, the said Committee of the Company met Four (4) times and the details are as follows:

Sr. No.	Date of Committee Meeting	Strength of the Committee	No. of Members Present
1	10/05/2023	4	4
2	20/07/2023	4	3
3	14/11/2023	4	4
4	18/01/2024	4	3

**PREFERENTIAL ISSUE COMMITTEE:**

The Preferential Issue Committee comprises of Non-Executive Independent Directors and Director as its members. The Chairman of the Committee is an Independent Director.

The Composition of Preferential Issue Committee is given below:

DIN	Name of the Director	Designation	Status
10119925	Mr. Gurpreet Singh Bhatia	Chairman	Independent Director
10124839	Mrs. Sangeeta Mehtani	Member	Independent Director
10132246	Mr. Kailash Garg	Member	Independent Director
00156801	Mr. Vijay Singla	Member	Executive Director

**Note:** Preferential Issue committee was constituted on 03.05.2023

**The terms of reference of the Preferential Issue Committee are:**

Issuance and allotment of Fully Convertible Warrants and the allotment of equity shares pursuant to the conversion of warrants.

During the FY 2023-24, the Preferential Issue Committee of the Company met Eight (8) times as mentioned in the table:

Sr. No.	Date of Committee Meeting	Strength of the Committee	No. of Members Present
1	04/07/2023	4	4
2	04/08/2023	4	4
3	29/08/2023	4	3
4	15/09/2023	4	3
5	07/10/2023	4	4
6	12/01/2024	4	3
7	08/02/2024	4	4
8	24/02/2024	4	4

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit 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 Companies Act, 2013 and Rules made

thereunder 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.
- (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.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under

review is presented in a separate section forming the part of the Annual Report.

#### **AUDITORS:**

##### **STATUTORY AUDITORS:**

M/s Anu and Associates, Chartered Accountants (Firm Registration No. 019624N) were appointed as Statutory Auditors of the Company at the 11th Annual General Meeting held on September 30, 2023 to hold the office till conclusion of 16th Annual General Meeting to be held in year 2028. M/s Anu and Associates confirmed that they are not disqualified from continuing as Auditors of the Company. The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2024. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

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

The Board of directors pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has appointed M/s. SV Associates, Company Secretaries as Secretarial Auditor of the Company to conduct the Secretarial Audit as per the provisions of the said Act for the Financial Year 2023-24.

A Secretarial Audit Report for the Financial Year 2023-24 is annexed herewith as Annexure-II in Form MR-3 and forms an integral part of this Report. The Secretarial Audit Report does not contain any disqualification, reservation or adverse remark which needs any explanation or comments of the Board.

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

There are no qualifications, reservations or adverse remarks made by Statutory Auditors M/s. Anu and Associates (FRN: 019624N), Chartered Accountants, in the Auditor's report and by Secretarial Auditors M/s. S V & Associates, Company Secretary in their Secretarial Audit Report for the Financial Year ended March 31, 2024.

##### **INTERNAL AUDITOR:**

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company on quarterly basis by M/s. S. N. Shah & Associates, Chartered Accountants (FRN: 109782W), the Internal Auditors of the Company

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

The Board has re-appointed M/s. S. N. Shah & Associates, Chartered Accountants, Ahmedabad as the Internal Auditors for the Financial Year 2024-25.

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

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

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

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

##### **COST AUDITORS:**

The Board of Directors has on the recommendation of Audit Committee, approved the appointment of M/s Balwinder & Associates, Cost Accountants, (Firm Registration No. 000201), as the Cost Auditors of the Company for the year 2024-25 at a remuneration of ₹ 45,000/- plus taxes and out of pocket expenses. The proposed remuneration of the Cost Auditors would be approved by the members in the ensuing AGM. For the year 2023-24, the Cost Audit report shall be duly filed within prescribed time.

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

In terms of Companies (Accounts) Amendment Rules, 2018, a Disclosure is hereby made that maintenance of cost records as specified by the Central Government under subsection (1)



of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

#### **AUDITORS' REPORT**

The Auditors' Report is self-explanatory and do not call for further comments as there are no adverse remarks in the Auditors' Report.

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

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

#### **CORPORATE GOVERNANCE REPORT:**

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

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

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

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

The Company has a well-placed, proper and adequate internal financial control system which ensures that all the assets are safeguarded and protected and that the transactions are authorized recorded and reported correctly. The internal audit covers a wide variety of operational matters and ensures compliance with specific standard with regards to availability and suitability of policies and procedures. During the year the Internal Control weaknesses were identified and actions were taken to remediate them.

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

#### **CORPORATE SOCIAL RESPONSIBILITY:**

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

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

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

#### **ANNUAL RETURN:**

Pursuant to Section 134(3) (a) and Section 92(3) of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the financial year ended 31st March, 2024, will be available on the website website of the Company [www.suranisteel.com](http://www.suranisteel.com) once it is filed with the ROC and can be accessed thereafter.

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

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

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

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

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

During the financial year 2023-24 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules,

2014 that none of the Directors of your Company is disqualified; to hold office as director disqualified as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI letter dated 14th June, 2018 and NSE circular dated 20th June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

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

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

The Company does not have any Holding, Subsidiary, Associate or Joint Venture at the beginning or any time during the year or at the end of the financial 2023-24. Therefore, it is not required to furnish any details in the Form AOC-1.

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

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

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

#### INDUSTRIAL RELATION:

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



### DEMATERIALIZATION OF SHARES:

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

### DIRECTOR REMUNERATION AND SITTING FEES:

Member's attention is drawn to Financial Statements wherein the disclosure of remuneration paid to Directors is given during the year 2023-24.

Sitting fees have been paid to the Independent Directors.

### CREDIT RATING:

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

### FORMAL ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 the nomination and remuneration committee has laid down the evaluation of the performance of Individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through the structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Director expressed their satisfaction with the evaluation process.

### MEANS OF COMMUNICATION

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

#### a) Financial Results

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

b) Newspapers wherein results are normally published the Company is Listed on SME Platform, the provisions for publishing the financial results as per Regulation 47 of

SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company.

#### c) Any website, where displayed

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

### POLICIES OF THE COMPANY:

#### ESTABLISHMENT OF VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

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

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

#### REMUNERATION AND APPOINTMENT POLICY:

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

The committee must ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### POLICY ON MATERIALITY OF RELATED PARTY TRANSACTION:

#### RELATED PARTY TRANSACTIONS:

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of

business and that the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under are not attracted. No material related party transactions were entered into during the financial year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24.

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

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

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

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

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

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

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

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

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

The Company has taken various steps in connection with the implementation of Risk Management measures in terms of provisions contained in the Companies Act, 2013, after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company. The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by Board from time to time. Key risks identified are methodically addressed through mitigating actions on a continuing basis. The policy of risk management is made available on the website of the company at [www.suranisteel.com](http://www.suranisteel.com)

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

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

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

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

#### **SECRETARIAL STANDARD:**

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

#### **OTHER REGULATORY REQUIREMENT:**

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

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

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2023-24.

#### **INVESTOR GRIEVANCES REDRESSAL STATUS:**

During the Financial Year 2023-24, there were no complaints or queries received from the shareholders of the Company. Company Secretary, acts as the Compliance Officer of the Company is responsible for complying with the provisions of the Listing Regulations, requirements of securities laws and SEBI Insider Trading Regulations. The Investor can be sent their query at [cs@suranisteel.com](mailto:cs@suranisteel.com)



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

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

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

Your Company has always provided a safe and harassment free workplace for every individual especially for women in its premises through various policies and practices. Your company has been actively involved in ensuring that the clients and all the employees are aware of the provisions of the POSH Act and rights thereunder. There was no complaint received by the Company during the financial year 2023-2024 under the aforesaid Act.

**ENVIRONMENT AND SAFETY**

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

Date: September 06, 2024  
Place: Chandigarh

**GREEN INITIATIVE**

Electronic copy of the Annual Report for FY 2023-24 and the Notice of the ensuing AGM is being sent to all shareholders whose email addresses are available in demat account and registered with Company's Registrar and Share Transfer Agent. As per the General Circular No. 20/2020 of Ministry of Corporate Affairs dated May 05, 2020, shareholders holding shares in demat form are requested to update their email addresses with their Depository Participant(s) and for shareholders holding shares in physical form, should get their email registered with Link Intime India Private Limited , Company's Registrar and Share Transfer Agent.

**APPRECIATION & ACKNOWLEDGEMENT**

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

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

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

Sd/-  
**VIJAY SINGLA**  
Managing Director  
(DIN: 00156801)

Sd/-  
**CHETAN SINGLA**  
Joint Managing Director  
(DIN: 0054979)



**ANNEXURE – I**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS BY PRACTICING COMPANY SECRETARY**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of  
the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Surani Steel Tubes Limited,**  
S. No.110,115, Opp. Vinayak TMT,  
Bayad Road, Tal. Dahegam, Gandhinagar,  
Sampa, Gujarat, India, 382315

We S V Associates, Practicing Company Secretaries, Chandigarh, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Surani Steel Tubes Limited having CIN L27109GJ2012PLC071373 and having Registered Office at S. No.110,115, Opp. Vinayak TMT, Bayad Road, Tal. Dahegam, Gandhinagar, Sampa, Gujarat, India, 382315 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me 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 March 31, 2024 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.

Sr. No.	DIN	Name of the Director	Date of appointment in the Company*
1.	10124839	Sangeeta Mehtani	03/05/2023
2.	10132246	Kailash Garg	03/05/2023
3.	10119925	Gurpreet Singh Bhatia	03/05/2023
4.	00156801	Vijay Singla	03/05/2023
5.	00549795	Chetan Singla	03/05/2023
6.	10087877	Pavni Singla	24/08/2023

**\*Date of appointment is as per MCA Portal.**

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

For S.V. Associates,  
**SAHIL MALHOTRA**  
Company Secretary  
CP No.14791  
M.No. 38204  
UDIN: A038204F001128612  
Peer Review Number: 2883/2023

Date: 04-09-2024  
Place: Chandigarh



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024  
 [Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
 (Appointment and Remuneration Personnel) Rules, 2014]

To,  
 The Members,  
 Surani Steel Tubes Limited

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

Based on our verification of the company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024, according to the provisions of:
  - I. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - II. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
  - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act);
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulations, 2014 (Not applicable to the Company during Audit Period); **Not Applicable during the year**
    - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable during the year**
    - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during Audit Period); **Not Applicable during the year**
    - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during Audit Period); and **Not Applicable during the year**
  - VI. Other laws as applicable to the company as per the representations made by the management.
2. We have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standard issued by the Institute of Company Secretaries of India.
  - (ii) The listing agreement entered into by the company with National Stock Exchange.
3. During the period under review and as per the explanations and clarifications given to us and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

4. We further report that as far as we have able to ascertain –
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
  - The compliance of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.
  - Adequate notice was given to directors in advance to schedule the Board Meetings, Agenda and notes on agenda and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting based upon notices shown to us.
  - Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review and minutes of the meetings duly recorded and signed by the chairman as minutes shown to us.
5. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
6. I further report that during the audit period the following events took place, which had a bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.
- PREFERENTIAL ISSUE:** Pursuant to the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with Companies Act, 2013 (including the applicable rules, regulations and other applicable provisions, subject to the amendment thereof, and on the basis of the recommendation Audit Committee, 72,64,036 fully convertible warrants of ₹ 10/- each were issued at a price of ₹ 135/- per warrant issue aggregating to ₹ 98,06,44,860/-, (Rupees Ninety Eight Crores Six Lakhs, Forty Four Thousand Eight Hundred Sixty only) against the receipt of 50% of the issue price (i.e., ₹ 67.50/- per warrant) on 72,64,036 Warrants of face value of ₹ 10/- each, aggregating to ₹ 49,03,22,430/-, (Rupees Forty Nine Crores Three Lakhs, Twenty Two Thousand Four Hundred Thirty Only) which are convertible into equal number of equity shares having face value of ₹ 10/- each, pursuant to the Special Resolution already passed by the Shareholders of the Company through postal ballot concluded on June 09, 2023 and In-principal approval granted by NSE on June 19, 2023 to the persons belonging to Non-Promoter/ Public Category.
7. The equity shares of the Company were listed on SME platform of National Stock Exchange.

For S V Associates  
Company Secretaries

**SAHIL MALHOTRA**  
Company Secretary  
M.No. 38204  
COP No. 14791  
UDIN: A038204F001128447

Date: 04-09-2024  
Place: Chandigarh



## **'ANNEXURE A'**

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

**OUR SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 31ST MARCH, 2024 IS TO BE READ ALONG WITH THIS LETTER**

### **MANAGEMENT'S RESPONSIBILITY**

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

### **AUDITOR'S RESPONSIBILITY**

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

### **DISCLAIMER:**

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

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

For S V Associates  
Company Secretaries

**SAHIL MALHOTRA**  
Company Secretary  
M.No. 38204  
COP No. 14791  
UDIN: A038204F001128447

Date: 04-09-2024  
Place: Chandigarh

**ANNEXURE-III**

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

- The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24.

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

No.	Name of Director	Remuneration ₹ in Lakhs	Designation	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31st March 2024
1	Vijay Singla	11.00	Managing Director	4.37:1	N.A.
2	Pavni Singla	7.00	Director and Chief Financial Officer (CFO)	2.38:1	N.A.

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

No.	Name of Director	Remuneration ₹ in Lakhs	Designation	Ratio of remuneration to Median Remuneration of the employees	% increase in Remuneration in year ended 31st March 2024
1	Mohinder Singh	9.90	Company Secretary (CS)	3.91:1	N.A.

- The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: as above
- The percentage increase in the median remuneration of employees in the financial year 2023-24 is 9% approx.
- The number of permanent employees on the rolls of Company in the financial year 2023-24: 64 Employees (including 3 Executive Directors)



# INDEPENDENT AUDITOR'S REPORT

To the members of  
**Surani Steel Tubes Limited**

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying financial statements of **Surani Steel Tubes Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss, and the Cash Flows Statement for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021 ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its profit and its cash flow for the year ended on that date.

### Basis for Opinion

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

### Emphasis of Matter

We draw attention to Note 32 of the accompanying statement which states that "The Company has carried out exercise of balances confirmation of trade receivable, trade payable, advances given, and other financial and non-financial assets and liabilities and have received confirmations in most of the cases. In few cases, such balances are subject to confirmation/

reconciliation and their balances are stated as per books of accounts. Adjustments, if any will be accounted for on confirmation/ reconciliation of the same, which in the opinion of the management will not have a material impact."

Our opinion is not qualified in respect of the matter as stated in the Emphasis of Matter paragraph.

### Key Audit Matter

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

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

### 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 financial statements and our auditor's report thereon.

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

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

### Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Other Matter**

The financial statements of the Company for the year ended 31st March, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 26th May, 2023.

Our opinion above on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified



in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 197(16) of the Act, based on our audit and to the best of our information and according to explanations given to us, we report that the Company has paid remuneration to its Directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 3(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph 3(i)(vi) below on reporting under Rule 11(g).
- (g) 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 over financial reporting.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position as at 31st March 2024.
  - 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, as disclosed in note 43(10) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
  - (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note 43(10) to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner



whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company has not declared or paid dividend during the financial year 2023-24, hence, reporting under Rule 11 (f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of accounts

which has a features of recording Audit Trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that audit trail feature is not enabled at the database level and certain master fields (Asset Master, Customer Master and Vendor Master) for users with certain privileged access rights as it related to the accounting software. Further, during the course of our Audit we did not come across any instance of the Audit Trail feature being tampered with. (Refer note 44 to the financial statements).

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**for Anu and Associates**

Chartered Accountants

ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA, Partner

Membership Number 531655

UDIN: 24531655BKBIGO7152

Date: May 28, 2024

Place : Chandigarh



## Annexure A to the Independent Auditors' Report

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Surani Steel Tubes Limited ("the Company") on the financial statements for the year ended 31st March, 2024. We report that:

- (i) (a) (A) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us, property plant and equipment have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the property plant and equipment at reasonable intervals. According to the information and explanations given to us, 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 all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (a) During the year, the Company has provided loans, the details of the loan outstanding at the year-end are as follows:
- (d) The Company has not revalued its property, plant and equipment and intangible assets during the year ended March 31, 2024.
- (e) According to the information and explanation given to us and the records of the Company examined by us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us and as disclosed in the note 7 to the financial statements, the Company has been sanctioned working capital limit in excess of ₹ 5 Crores on the basis of security of current assets, in aggregate, during the year from banks and financial institutions and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) The Company has granted unsecured loan to a company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans are as per the table given below:

Particulars	₹ in Lakhs
	Loans
Aggregate amount of loan granted/provided during the year	
-Others	1,000.00
Balance Outstanding as at Balance Sheet date in respect of above cases	
-Others	1,000.00

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and loans extended, are, prima facie, not prejudicial to the interest of the company.
- (c) The Company has granted loans to others where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are generally regular.
- (d) There are no amounts of loans granted to others which are overdue for more than ninety days.
- (e) There was no loan granted to others which had fallen due during the year, that has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and hence reporting under clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investment made.
- (v) In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, sales tax, custom duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records, there are no statutory dues mentioned in clause vii (a) above which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company and as disclosed in the note 43(12) to the financial statements, 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) and hence reporting under clause 3(viii) of the order is not applicable to the Company.
- (ix) (a) Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the repayment of interest thereon to the lender and hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) On the basis of information and explanations given to us and as disclosed in the note 43(5) to the financial statements, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed term loans from banks and financial institutions during the financial year and hence reporting under clause 3(ix) (c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records, short term funds raised during the year by the Company have not been utilized for long term purposes.
- (e) The Company did not have any subsidiary or associate or joint venture and hence, reporting under clause (ix) (e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture and hence, reporting under clause (ix) (f) of the Order is not applicable.



- (x) (a) The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has made preferential allotment of shares during the year. For such allotment of shares, the Company has complied with the requirements of the section 42 and section 62 of the Act have been complied with and the funds raised have been, prime facie, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment of (fully or partly or optionally) convertible debentures during the year.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under subsection 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) Based on our audit procedure performed and according to the information and explanations given to us, no whistle blower complaints were received by the Company during the year and hence reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Accounting Standard 18, Related Party Disclosures specified in Companies (Accounting Standards) Rules 2021 as prescribed under section 133 of the Act.
- (xiv) (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedure.
- (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 any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) (a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Company does not have any CICs, which are part of any Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred any cash losses during the financial year covered by our audit and however, in the immediately preceding financial year, the Company has incurred cash loss of ₹ 55.55 Lakhs.
- (xviii) There has been resignation of the statutory auditors during the year, and there were no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet

as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfil the criteria as specified

under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, accordingly there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The Company doesn't have any subsidiary, accordingly, the reporting under clause (xxi) is not applicable in respect of audit of financial statements of the Company.

**for Anu and Associates**

Chartered Accountants

ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA, Partner

Membership Number 531655

UDIN: 24531655BKBIGO7152

Date: May 28, 2024

Place : Chandigarh



## Annexure B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Surani Steel Tubes Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial

reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

**for Anu and Associates**

Chartered Accountants

ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA, Partner

Date: May 28, 2024

Place : Chandigarh

Membership Number 531655

UDIN: 24531655BKBIGO7152

## BALANCE SHEET AS AT MARCH 31, 2024

₹ in Lakhs

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	1063.40	828.40
Reserves and surplus	3	4437.39	1449.78
Money received against share warrants	4	3333.85	-
<b>Total Shareholders' Funds</b>		<b>8834.64</b>	<b>2278.18</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities (Net)	5	45.86	56.28
Long-term provisions	6	8.22	9.40
<b>Total Non-current Liabilities</b>		<b>54.07</b>	<b>65.68</b>
<b>Current liabilities</b>			
Short-term borrowings	7	4236.20	1133.05
<b>Trade payables</b>			
Total outstanding dues of micro enterprises and small enterprise	8	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8	228.38	545.55
Other current liabilities	9	65.83	63.14
Short-term provisions	10	2.22	53.11
<b>Total Current Liabilities</b>		<b>4532.63</b>	<b>1794.85</b>
<b>Total Liabilities</b>		<b>4586.72</b>	<b>1860.53</b>
<b>Total Equity and Liabilities</b>		<b>13421.35</b>	<b>4138.71</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment and intangible assets:			
Property, plant and equipment	11	1028.44	460.23
Intangible assets	12	1.85	0.02
Capital work-in-progress	13	12.66	-
Non-current investments	14	-	13.00
Deferred tax assets (net)			
Long-term loans and advances	15	29.88	12.14
Other non-current assets	16	1.00	1.00
<b>Total Non-Current Assets</b>		<b>1073.83</b>	<b>486.38</b>
<b>Current assets</b>			
Inventories	17	6330.36	1731.98
Trade receivables	18	129.99	1329.82
Cash and cash equivalents	19	3455.65	79.98
Short-term loans and advances	20	1001.46	11.85
Other current assets	21	1430.05	498.70
<b>Total Current Assets</b>		<b>12347.52</b>	<b>3652.33</b>
<b>Total Assets</b>		<b>13421.35</b>	<b>4138.71</b>
See accompanying notes forming part of the financial statements.	1 to 45		

This is the balance sheet referred to in our report of even date.

**for Anu and Associates**

Chartered Accountants  
ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA., Partner  
Membership Number 531655  
UDIN: 24531655BKBIGO7152  
Place: Chandigarh  
Date: May 28, 2024

**for and on behalf of the Board of Directors  
of Surani Steel Tubes Limited**

**Vijay Singla**

Managing Director  
DIN: 00156801

**Pavni Singla**

Whole-time Director cum Chief Financial Officer  
PAN: HFWPK7352P

**Chetan Singla**

Joint Managing Director  
DIN: 00549795

**Mohinder Singh**

Company Secretary  
Membership Number: A21587



## STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	Note	For the year ending March 31, 2024	For the year ending March 31, 2023
Revenue from operations	22	15513.54	12360.34
Other income	23	79.13	21.08
<b>Total Income</b>		<b>15592.68</b>	<b>12381.41</b>
<b>EXPENSES:</b>			
Cost of material consumed	24	14303.84	11930.86
Purchase of stock-in-trade	25	226.33	102.41
Changes in inventories of finished goods, scrap, stock-in-trade	26	512.57	(91.25)
Employee benefits expense	27	167.58	158.84
Finance costs	28	10.70	112.34
Depreciation and amortisation expenses	29	47.64	94.19
Other expenses	30	263.57	223.77
<b>Total Expenses</b>		<b>15532.22</b>	<b>12531.15</b>
<b>Profit/ (Loss) before tax</b>		<b>60.46</b>	<b>(149.73)</b>
<b>Tax Expense:</b>			
Current tax		9.43	37.00
MAT credit entitlement		(9.43)	0.00
Deferred tax /(assets)		(10.42)	(7.40)
Prior period tax adjustment		20.77	0.00
<b>Total tax expenses</b>		<b>10.35</b>	<b>29.60</b>
<b>Profit/ (Loss) for the year</b>		<b>50.11</b>	<b>(179.33)</b>
<b>Earnings per equity share (Face Value ₹ 10 per share)</b>	31		
Basic (₹)		0.56	(2.16)
Diluted (₹)		0.44	(2.16)
See accompanying notes forming part of the financial statements.	1 to 45		

This is the statement of profit and loss referred to in our report of even date.

**for Anu and Associates**

Chartered Accountants

ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA., Partner

Membership Number 531655

UDIN: 24531655BKBIGO7152

Place: Chandigarh

Date: May 28, 2024

**for and on behalf of the Board of Directors**

**of Surani Steel Tubes Limited**

**Vijay Singla**

Managing Director

DIN: 00156801

**Pavni Singla**

Whole-time Director cum Chief Financial Officer

PAN: HFWPK7352P

**Chetan Singla**

Joint Managing Director

DIN: 00549795

**Mohinder Singh**

Company Secretary

Membership Number: A21587



## CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2024

₹ in Lakhs

Particulars	For the year ending March 31, 2024	For the year ending March 31, 2023
<b>A. CASH INFLOW/(OUTFLOW) FROM THE OPEARATING ACTIVITIES</b>		
Net profit before tax and extra-ordinary items	60.46	(149.73)
<b>Adjustments for</b>		
Depreciation	47.64	94.19
Profit on sale of property, plant and equipment	-	(36.50)
Loss on sale of property, plant and equipment	1.87	-
Finance costs	10.70	101.55
Sundry balance written back	(1.02)	(5.05)
Interest income	(72.03)	(1.43)
<b>Operating Profit before working capital changes</b>	<b>47.61</b>	<b>3.03</b>
<b>Adjustment for:</b>		
Current assets		
Inventories	(4598.38)	954.44
Receivable	1199.83	(826.87)
(Increase)/ decrease in other receivables	(1932.94)	137.92
Current liabilities		
Increase/(decrease) in trade and other payables	(365.52)	(472.84)
<b>Cash generated from operations</b>	<b>(5649.41)</b>	<b>(204.32)</b>
Income tax paid	(30.20)	-
<b>Net Cash Inflow/(Outflow) from Operating Activities (A)</b>	<b>(5679.61)</b>	<b>(204.32)</b>
<b>B. CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(640.21)	(8.76)
Sale of property, plant and equipment	8.00	703.48
Sale of non-current investments	13.00	0.00
Interest received on deposits with banks	75.69	1.43
<b>Net Cash Inflow/(Outflow) from Investing Activities (B)</b>	<b>(543.52)</b>	<b>696.15</b>
<b>C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>		
Proceed from issue of shares	235.00	-
Proceed from issue of warrants	3333.85	-
Proceed from security premium	2937.50	-
Finance costs paid	(10.70)	(101.55)
Secured loan received/ (repaid)	3103.15	(362.12)
<b>Net Cash Inflow/(Outflow) from Financing Activities (C)</b>	<b>9598.80</b>	<b>(463.68)</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</b>	<b>3375.67</b>	<b>28.15</b>
<b>Opening balance of cash and cash equivalent</b>	<b>29.98</b>	<b>1.83</b>
<b>Closing balance of cash and cash equivalents</b>	<b>3405.65</b>	<b>29.98</b>

See accompanying notes forming part of the financial statements.



## CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2024

**Note:**

**1. Cash and cash equivalents for the purpose of the cash flow statement comprises of:**

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	0.57	1.08
<b>Balances with banks</b>		
In current account	522.46	28.90
Investment in commercial papers	2440.67	-
Cheques in hand	441.95	-
<b>Total</b>	<b>3405.65</b>	<b>29.98</b>

- Purchase of property, plant and equipment are stated inclusive of movement of capital work-in-progress between the commencement and end of the year and are considered as a part of investing activity.
- The Cash Flow Statement has been prepared under the "indirect method" as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statement'.
- Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification.
- Negative figures have been shown in brackets.

This is the cash flow statement referred to in our report of even date.

**for Anu and Associates**

Chartered Accountants  
ICAI Firm Registration Number 019624N

**CA. Parveen Kumar**

FCA., Partner  
Membership Number 531655  
UDIN: 24531655BKBIG07152  
Place: Chandigarh  
Date: May 28, 2024

**for and on behalf of the Board of Directors  
of Surani Steel Tubes Limited**

**Vijay Singla**

Managing Director  
DIN: 00156801

**Pavni Singla**

Whole-time Director cum Chief Financial Officer  
PAN: HFWPK7352P

**Chetan Singla**

Joint Managing Director  
DIN: 00549795

**Mohinder Singh**

Company Secretary  
Membership Number: A21587

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 1

#### I. Corporate Information

Surani Steel Tubes Limited (the 'Company') incorporated on 31st July 2012 and domiciled in India and limited by shares incorporated, having Corporate Identity Number L27109GJ2012PLC071373, under the provisions of the Companies Act. The equity shares of the Company are listed on SME Platform of National Stock Exchange, as referred in chapter XB of SEBI (issue of capital disclosure requirement) regulations 2009. The Company is engaged in the business of 'manufacturing ERW MS Pipes and Trading of MS Pipe'.

#### II. Summary of Significant Accounting Policies

##### i) Basis of Preparation

The financial statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles (GAAP) in India, Section 133 of the Companies Act, 2013 (the 'Act') and the applicable Accounting Standards read with the Companies (Accounting Standards) Rules 2021. The company follows mercantile systems of accounting and recognised income and expenditures on accrual basis.

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

##### ii) Use of Estimates

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

##### iii) Property, Plant, Equipment and Depreciation

Property, plant and equipment except Land are stated at cost less accumulated depreciation.

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

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

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

##### iv) Intangible Assets

Intangible assets are reported at acquisition value with deductions for accumulated amortization and any impairment losses. Capital work in progress includes cost of assets at sites and construction expenditure as well as Trial Run Production Loss/ Gain.

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

##### v) Inventories

Raw materials, stores, spares, consumables and finished goods are valued at cost or net realizable value, whichever is lower.

The cost for raw materials, stores, spares, and consumables, has been arrived at using First in First Out ('FIFO') method, net of cenvat credit and input tax credit availed.

The cost of finished goods is determined taking material cost (net of cenvat credit and input tax credit availed), labour and relevant appropriate overheads.

Waste and scrap are valued at net realisable value.

The cost for traded goods arrived at using First in First Out ('FIFO') method, net of cenvat credit and input tax credit availed.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### vi) Investments

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

### vii) Revenue Recognition

#### a) Sale of Goods

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

#### b) Dividend

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

#### c) Interest

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

### viii) Employee Benefits

#### a) Short-term Employee Benefits

Short-term employee benefits are recognised as expense in the statement of profit and loss of the year in which the related service is rendered at the undiscounted amount as and when it accrues.

The Company is providing for the bonus liability at the year end and is paid to the eligible employees in the subsequent year.

#### b) Long-term Employee Benefits

Long-term employees benefits both through defined contribution plans and defined benefit plans are recognised in the financial statements.

### Defined Contribution Plans

#### Employee Provident Fund (EPF)

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

#### Employee State Insurance (ESI)

The Company makes contribution to Employee State Insurance scheme in accordance with Employees' State Insurance Act, 1948. The scheme is a self-financing social security and health insurance scheme for workers and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

### Defined Benefit Plans

#### Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arise.

#### Leave Encashment

Leave Encashment are post-employment benefit and are in the nature of defined benefit plans. The liability recognized in the balance sheet in respect of compensated absences is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arise.

### ix) Impairment of Assets

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

### x) Earning per Share

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

### xi) Provisions, Contingent Liabilities and Contingent Assets

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

### xii) Foreign Currency Transactions

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

### xiii) Taxes on Income

Tax expense for a year comprises of current tax, deferred tax. Current tax is measured after taking into consideration, the deductions and exemptions admissible under the provisions of the Income-tax Act, 1961.

Deferred tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable or virtual certainty as the case may be, that the asset will be realized in future.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance sheet when it is probable that future economic benefit associated with it will flow to the Company.

### xiv) Cash Flow statement

The cash flow statement is prepared by the indirect method set out in Accounting standard 3 (AS 3) on "Cash flow statement" and present the cash flow by operating, investing and financing activities of the Company.

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

### xv) Goods and Service Tax Credit

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

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



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### **xvi) Government Grant**

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

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

Grant received against specific property, plant and equipment are adjusted to the cost of the assets and those to the nature of promoter's contribution are credited to Capital reserve. Revenue grants are recognized as income on a systematic basis in the

statement of profit and loss in accordance with the related scheme and in the period in which these are accrued.

### **xvii) Research and Development**

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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 2 SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	₹ in Lakh	Number	₹ in Lakh
<b>(a) Authorised</b>				
Equity shares of ₹ 10 each with voting rights	25000000	2500.00	9000000	900.00
<b>Total</b>	<b>25000000</b>	<b>2500.00</b>	<b>9000000</b>	<b>900.00</b>
<b>(b) Issued</b>				
Equity shares of ₹ 10 each with voting rights	10634000	1063.40	8284000	828.40
<b>Total</b>	<b>10634000</b>	<b>1063.40</b>	<b>8284000</b>	<b>828.40</b>
<b>(c) Subscribed and Paid up</b>				
Equity shares of ₹ 10 each with voting rights	10634000	1063.40	8284000	828.40
<b>Total</b>	<b>10634000</b>	<b>1063.40</b>	<b>8284000</b>	<b>828.40</b>

During the year, the Company has increased its authorised share capital from 900.00 Lakhs to 2500.00 Lakhs equity shares of ₹ 10/- each.

### Note 2A Reconciliation of Shares Outstanding at the beginning of the period and at the end of the period

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	₹ in Lakh	Number	₹ in Lakh
<b>Equity shares with voting rights</b>				
At the beginning of the year	8284000	828.40	8284000	828.40
Bonus shares issued during the year	-	-	-	-
Right shares issued during the year	-	-	-	-
Shares issued during the year pursuant to conversion of fully convertible warrants March 31, 2024*	2350000	235.00	-	-
(Shares bought back during the year)	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>10634000</b>	<b>1063.40</b>	<b>8284000</b>	<b>828.40</b>

\* The Company had allotted 7264036 convertible warrants to persons belonging to 'Non-Promoter' category on July 04, 2023 for an issue price of ₹ 135/- per warrant. Out of total issue price, ₹ 67.50 (50% of the issue price) per warrant was received as the initial subscription amount at the time of allotment of the warrants. During the year ended March 31, 2024, out of 7264036 convertible warrants, the Company converted 2350000 warrants by receiving balance subscription amount ₹ 67.50 (50% of the issue price).

### Note 2B Details of Shareholders Holding shares above 5%

Name of Equity Share Holders	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% age of Holding	Number of Shares	% age of Holding
Vijay Singla	1594000	14.99%	-	-
Chetan Singla	1592000	14.97%	-	-
Santosh Rani	1592000	14.97%	-	-
Rahul Bansal	1124000	10.57%	1124000	13.57%



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 2C Shareholding of Promoters

As at March 31, 2024

Promoter Name	Shareholding as at March 31, 2024	% of Shareholding as at March 31, 2024	Shareholding as at March 31, 2023	% of Shareholding as at March 31, 2023	Change in Shareholding % during the year
Vijay Singla	1594000	14.99%	-	-	14.99%
Chetan Singla	1592000	14.97%	-	-	14.97%
Santosh Rani	1592000	14.97%	-	-	14.97%
Dinesh K Patel	-	-	407000	4.91%	-100.00%
Maniben Patel	-	-	406000	4.90%	-100.00%
Karsanbhai Devjibhai Patel HUF	-	-	352000	4.25%	-100.00%
Prakash Karsanbhai Patel HUF	-	-	299000	3.61%	-100.00%
Vishram Shivgan Patel	-	-	269000	3.25%	-100.00%
Mukesh Patel	-	-	215000	2.60%	-100.00%
Karsen Patel	-	-	212000	2.56%	-100.00%
Prakash Patel	-	-	204000	2.46%	-100.00%
Laxmiben Vishrambhai Patel	-	-	120000	1.45%	-100.00%
Mukeshbhai Patel HUF	-	-	106000	1.28%	-100.00%
Vishrambhai Patel HUF	-	-	100000	1.21%	-100.00%
Hetal D Patel	-	-	64000	0.77%	-100.00%
Dimple M Patel	-	-	60000	0.72%	-100.00%
<b>Total</b>	<b>4778000</b>	<b>44.93%</b>	<b>2814000</b>	<b>33.97%</b>	

As at March 31, 2023

Promoter Name	Shareholding as at March 31, 2023	% of Shareholding as at March 31, 2023	Shareholding as at March 31, 2022	% of Shareholding as at March 31, 2022	Change in Shareholding % during the year
Vijay Singla	-	-	-	-	-
Chetan Singla	-	-	-	-	-
Santosh Rani	-	-	-	-	-
Dinesh K Patel	407000	4.91%	407000	4.91%	-
Maniben Patel	406000	4.90%	406000	4.90%	-
Karsanbhai Devjibhai Patel HUF	352000	4.25%	352000	4.25%	-
Prakash Karsanbhai Patel HUF	299000	3.61%	299000	3.61%	-
Vishram Shivgan Patel	269000	3.25%	269000	3.25%	-
Mukesh Patel	215000	2.60%	215000	2.60%	-
Karsen Patel	212000	2.56%	212000	2.56%	-
Prakash Patel	204000	2.46%	204000	2.46%	-
Laxmiben Vishrambhai Patel	120000	1.45%	120000	1.45%	-
Mukeshbhai Patel HUF	106000	1.28%	106000	1.28%	-
Vishrambhai Patel HUF	100000	1.21%	100000	1.21%	-
Hetal D Patel	64000	0.77%	64000	0.77%	-
Dimple M Patel	60000	0.72%	60000	0.72%	-
<b>Total</b>	<b>2814000</b>	<b>33.97%</b>	<b>2814000</b>	<b>33.97%</b>	

### Note 2D Terms/ Rights attached to Equity Shares

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

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



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 3 RESERVES AND SURPLUS

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
<b>A) Securities Premium</b>		
Balance at the beginning of the year	1363.28	1363.28
Add: Securities premium received on share issue	2937.50	-
Less: Premium utilised for various reasons	-	-
<b>Balance at the end of the year</b>	<b>4300.78</b>	<b>1363.28</b>
<b>B) Surplus in statement of profit and Loss</b>		
Balance at the beginning of the year	86.50	265.83
Add: Profit/(Loss) for the current year	50.11	(179.33)
<b>Balance at the end of the year</b>	<b>136.61</b>	<b>86.50</b>
<b>Total</b>	<b>4437.39</b>	<b>1449.78</b>

### NOTE 4 MONEY RECEIVED AGAINST SHARE WARRANTS

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	-	-
Add: Money received during the period	4903.22	-
Less: Share warrant converted into equity shares during the period	(1586.25)	-
<b>Closing balance</b>	<b>3316.97</b>	<b>-</b>

The Company had allotted 7264036 convertible warrants to persons belonging to 'non-promoter' category on July 04, 2023, for an issue price of ₹ 135/- per warrant. Out of total issue price, ₹ 67.50 (50% of the issue price) per warrant was received as the initial subscription amount at the time of allotment of the warrants. During the year ended March 31, 2024, out of 7264036 convertible warrants, the company had converted 2350000 warrants by receiving balance subscription amount ₹ 67.50 (50% of the issue price).

### NOTE 5 DEFERRED TAX LIABILITIES (NET)

Particulars	in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Deferred tax liability arising on account of		
Difference between written down value of property, plant and equipment as per the books of accounts and income-tax act, 1961	49.51	57.27
Deferred tax assets arising on account of		
Accrued expenses deductible on payment	(3.65)	(0.98)
<b>Total</b>	<b>45.86</b>	<b>56.28</b>

### NOTE 6 LONG-TERM PROVISIONS

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
<b>Provision for employee benefits</b>		
Gratuity (unfunded)	6.86	9.40
Leave encashment (unfunded)	1.36	0.00
<b>Total</b>	<b>8.22</b>	<b>9.40</b>

Disclosures as per Accounting Standard 15 (AS - 15) in respect of provision made towards various employee benefits are made in note 34.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 7 SHORT-TERM BORROWINGS

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
<b>Loans repayable on demand</b>		
Working capital loan from HDFC bank	-	1133.05
<b>Unsecured</b>		
Over draft in current account	4236.20	-
<b>Total</b>	<b>4236.20</b>	<b>1133.05</b>

#### Note

Working capital loan from HDFC bank

- Quarterly return or statements were in agreement with books of account.
- The loan stands repaid and closed as at the year end. The loan was secured by hypothecation of stock and receivables and security margin for bank guarantee and Letter of Credit. Collaterally secured by personal guarantees from property owners and Directors/ shareholders and deposits with bank of ₹ 50 Lakh lien marked in favour of bank.

### NOTE 8 TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 39)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises (Include creditors for goods and services)	228.38	545.55
<b>Total</b>	<b>228.38</b>	<b>545.55</b>

#### Trade payables aging schedule

As at March 31, 2024

₹ in Lakhs

Particulars	Outstanding For Following periods from due date of payment						Total
	Not due for payment	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed dues - MSME	-	-	-	-	-	-	-
Undisputed dues - Others	-	-	228.38	-	-	-	228.38
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>228.38</b>	-	-	-	<b>228.38</b>

As at March 31, 2023

Particulars	Outstanding For Following periods from due date of payment						Total
	Not due for payment	Unbilled	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed dues - MSME	-	-	-	-	-	-	-
Undisputed dues - Others	448.76	-	94.31	2.48	-	-	545.55
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>448.76</b>	-	<b>94.31</b>	<b>2.48</b>	<b>0.00</b>	<b>0.00</b>	<b>545.55</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 9 OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory remittances (contributions to provident fund, employee state insurance, withholding taxes, goods and services tax etc.)	7.44	5.08
Advance from customers	17.29	29.89
Advance against sale of property, plant and equipment	-	0.00
Dealers distributors deposits	-	1.79
Other outstanding expenses and payables	41.10	26.38
<b>Total</b>	<b>65.83</b>	<b>63.14</b>

### NOTE 10 SHORT-TERM PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity (unfunded)	0.15	7.87
Leave encashment (unfunded)	0.15	3.10
Bonus	1.92	5.14
Provision for taxation	-	37.00
<b>Total</b>	<b>2.22</b>	<b>53.11</b>

Disclosures as per Accounting Standard 15 (AS - 15) in respect of provision made towards various employee benefits are made in note 34.

### NOTE 11 PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	As at April 1, 2023	During the year	Deductions during the year	As at March 31, 2024	As at March 31, 2024
Land	41.74	0.00	-	41.74	-	-	-	-	41.74
Buildings	91.59	0.00	-	91.59	25.80	2.90	-	28.71	62.88
Plant and equipment	736.54	601.15	-	1337.69	398.22	41.50	-	439.72	897.96
Furniture and fixtures	3.18	0.00	-	3.18	2.21	0.25	-	2.45	0.72
Vehicles	25.74	21.41	14.34	32.80	14.80	2.06	4.47	12.39	20.42
Office equipment	10.03	3.00	-	13.03	7.56	0.76	-	8.32	4.71
<b>Total</b>	<b>908.82</b>	<b>625.55</b>	<b>14.34</b>	<b>1520.03</b>	<b>448.59</b>	<b>47.47</b>	<b>4.47</b>	<b>491.59</b>	<b>1028.44</b>

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 1, 2023	During the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023
Land	87.30	-	45.56	41.74	-	-	-	-	41.74
Buildings	280.26	-	188.67	91.59	40.84	5.57	20.60	25.80	65.79
Plant and equipment	1420.68	6.48	690.62	736.54	550.24	86.33	238.34	398.22	338.32
Furniture and fixtures	3.20	0.22	0.24	3.18	1.98	0.30	0.08	2.21	0.97
Vehicles	27.04	-	1.30	25.74	13.62	1.57	0.39	14.80	10.94
Office equipment	7.96	2.07	0.00	10.03	7.15	0.42	0.00	7.56	2.47
<b>Total</b>	<b>1826.44</b>	<b>8.77</b>	<b>926.39</b>	<b>908.82</b>	<b>613.82</b>	<b>94.19</b>	<b>259.41</b>	<b>448.59</b>	<b>460.23</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 12 INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2023	Additions during the year	Deductions during the year	As at March 31, 2024	As at April 1, 2023	During the year	Deductions during the year	As at March 31, 2024	As at March 31, 2024	
Computer software	0.32	2.00	-	2.32	0.31	0.17	-	0.47	1.85	
<b>Total</b>	<b>0.32</b>	<b>2.00</b>	<b>-</b>	<b>2.32</b>	<b>0.31</b>	<b>0.17</b>	<b>-</b>	<b>0.47</b>	<b>1.85</b>	

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2022	Additions during the year	Deductions during the year	As at March 31, 2023	As at April 1, 2023	During the year	Deductions during the year	As at March 31, 2023	As at March 31, 2023	
Computer software	0.32	-	-	0.32	0.31	0.00	-	0.31	0.02	
<b>Total</b>	<b>0.32</b>	<b>-</b>	<b>-</b>	<b>0.32</b>	<b>0.31</b>	<b>0.00</b>	<b>-</b>	<b>0.31</b>	<b>0.02</b>	

### NOTE 13 CAPITAL WORK-IN-PROGRESS

₹ in Lakhs

Particulars	As at March 31, 2024	Additions	Capitalised	As at March 31, 2024
Building under construction	-	2.36	-	2.36
Plant and machinery under erection	-	10.30	-	10.30
<b>Total</b>	<b>-</b>	<b>12.66</b>	<b>-</b>	<b>12.66</b>

Particulars	As at March 31, 2022	Additions	Capitalised	As at March 31, 2023
Building under construction	-	-	-	-
Plant and machinery under erection	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Ageing of capital work in progress

Particulars	Amount in Capital Work in Progress for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress as at March 31, 2024	12.66	-	-	-	12.66
Projects in progress as at March 31, 2023	-	-	-	-	-

### NOTE 14 NON-CURRENT INVESTMENT

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Other Investments	-	-
Investment in Equity instruments	-	13.00
Less : Provision for diminution in the value of investments	-	-
<b>Total</b>	<b>-</b>	<b>13.00</b>

#### Note 14A Aggregate Value of Unquoted Non-current Investments

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate amount of unquoted investments	-	13.00
<b>Total</b>	<b>-</b>	<b>13.00</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 14B Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/ Controlled Entity/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		₹ in Lakhs		Whether stated at Cost Yes / No	If Answer to Column (12) is 'No' - Basis of Valuation
			As at March 31, 2024	As at March 31, 2023			As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023		
			4	5			8	9	10	11		
1	2	3			6	7					12	13
<b>(A) Investment in Equity Instruments</b>												
	The Cosmos Co-operative Bank Ltd.	Others	-	13000	Unquoted	Fully Paid			-	13.00	Yes	N. A.
	<b>Total</b>		-	<b>13000</b>					-	<b>13.00</b>		

### NOTE 15 LONG-TERM LOANS AND ADVANCES

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Security deposits	29.88	12.14
<b>Total</b>	<b>29.88</b>	<b>12.14</b>

### NOTE 16 OTHER NON-CURRENT ASSETS

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Balances with Banks		
In deposit accounts (remaining maturity of more than twelve months)	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>

### NOTE 17 INVENTORIES

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Raw materials and components	5711.33	613.21
Finished goods	531.23	1041.71
Stock-in-trade	24.49	25.07
Stores and spares	29.83	17.00
Others (scrap)	33.49	34.99
<b>Total</b>	<b>6330.36</b>	<b>1731.98</b>

### NOTE 18 TRADE RECEIVABLES

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Trade receivables		
Unsecured, considered good	129.99	1329.82
<b>Total</b>	<b>129.99</b>	<b>1329.82</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Trade receivables aging schedule

As at March 31, 2024

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment							Total
	Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable - considered good	-	-	75.71	9.55	1.18	1.02	42.53	129.99
Undisputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>75.71</b>	<b>9.55</b>	<b>1.18</b>	<b>1.02</b>	<b>42.53</b>	<b>129.99</b>

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment							Total
	Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivable - considered good	677.59	-	565.73	1.51	5.12	25.06	54.80	1329.82
Undisputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivable - considered doubtful	-	-	-	-	-	-	-	-
<b>Total</b>	<b>677.59</b>	<b>0.00</b>	<b>565.73</b>	<b>1.51</b>	<b>5.12</b>	<b>25.06</b>	<b>54.80</b>	<b>1329.82</b>

### NOTE 19 CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	0.57	1.08
<b>Balances with banks</b>		
in current account	522.46	28.90
Commercial papers	2440.67	-
Cheques in hand	441.95	-
Cash and Cash Equivalents as per AS-3 Cash Flow Statements	3405.65	29.98
<b>Other balances with banks</b>		
In deposit accounts (with less than twelve months maturity)	50.00	50.00
<b>Total</b>	<b>3455.65</b>	<b>79.98</b>

### NOTE 20 SHORT TERM LOANS AND ADVANCES

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Staff advances	1.46	2.30
Loans to others	1000.00	9.55
<b>Total</b>	<b>1001.46</b>	<b>11.85</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 21 OTHER CURRENT ASSETS

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured, considered good</b>		
Advance to suppliers	16.25	25.83
Advance recoverable in cash or kind	7.79	7.79
Accrued interest	3.83	7.49
Prepaid expenses	14.50	0.00
Unamortised public issue expenses	3.42	8.55
Deposits and balance with government authorities and others	1367.92	390.39
Claims and Other Receivable	16.36	58.65
<b>Total</b>	<b>1430.05</b>	<b>498.70</b>

### NOTE 22 REVENUE FROM OPERATION

Particulars	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of ERW, MS PIPES and Coils (Net of rate difference and discount)	15262.82	12084.54
Sale of services	0.72	8.05
Liquidated damages claims received	250.00	267.75
<b>Total</b>	<b>15513.54</b>	<b>12360.34</b>

### NOTE 23 OTHER INCOME

Particulars	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest income on</b>		
Deposit with banks	3.53	1.43
Unsecured loans	65.24	-
Others	3.26	0.43
Sundry balance written back	1.02	5.05
Profit on property, plant and equipment	-	12.38
Dividend income	-	1.04
Miscellaneous income	6.08	0.00
Rent of godown	-	0.75
<b>Total</b>	<b>79.13</b>	<b>21.08</b>

### NOTE 24 COST OF MATERIAL CONSUMED

Particulars	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock	613.21	1669.95
Purchases	19382.85	11228.22
Insurance expense on raw material purchases	0.01	0.00
Freight on purchases	21.46	0.67
Discount received	(2.37)	(354.76)
Closing stock	(5711.33)	(613.21)
<b>Total</b>	<b>14303.84</b>	<b>11930.86</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 25 PURCHASE OF STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of stock-in-trade	226.33	102.41
<b>Total</b>	<b>226.33</b>	<b>102.41</b>

### NOTE 26 CHANGES IN INVENTORIES OF FINISHED GOODS, SCRAP, STOCK-IN-TRADE

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Finished goods</b>		
Opening stock	1041.71	990.35
Less: Closing stock	(531.23)	(1041.71)
<b>Net Change in inventories of finished goods</b>	<b>510.48</b>	<b>(51.37)</b>
<b>Scrap</b>		
Opening stock	34.99	20.17
Less: Closing stock	(33.49)	(34.99)
<b>Net change in inventories of scrap</b>	<b>1.50</b>	<b>(14.82)</b>
<b>Stock-in-trade</b>		
Opening stock	25.07	0.00
Less: Closing stock	(24.49)	(25.07)
<b>Net Change in inventories of Stock-in-trade</b>	<b>0.59</b>	<b>(25.07)</b>
<b>Net Changes in inventories of finished goods, scrap, stock-in-trade</b>	<b>512.57</b>	<b>(91.25)</b>

### NOTE 27 EMPLOYEE BENEFITS EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus and wages	141.24	141.11
Director remuneration	19.80	7.20
Contributions to		
- Employees' Provident fund	1.33	0.34
- Employees' State Insurance	0.69	-
Gratuity	0.00	3.79
Leave encashment	1.51	5.71
Staff welfare expenses	3.01	0.69
<b>Total</b>	<b>167.58</b>	<b>158.84</b>

Disclosures as per Accounting Standard 15 (AS - 15) in respect of provision made towards various employee benefits are made in note 34.

### NOTE 28 FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on		
Term loan	-	0.16
Working capital loans	5.52	101.40
Other borrowing costs	5.18	10.79
<b>Total</b>	<b>10.70</b>	<b>112.34</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 29 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	47.64	94.19
<b>Total</b>	<b>47.64</b>	<b>94.19</b>

### NOTE 30 OTHER EXPENSE

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of stores and spare parts	46.83	36.71
Power and fuel	56.96	84.02
Repair and maintenance		
- Buildings	3.36	1.29
- Plant and machineries	15.39	13.55
- Others	2.76	2.10
Auditors remuneration	2.00	1.80
Legal and professional charges	33.67	17.87
Insurance	3.35	5.13
Rates and taxes, excluding taxes on income	42.65	0.59
Bad debts	-	7.38
Advertisement and sales promotion expenses	3.25	4.49
Independent director sitting fees	0.75	0.00
Miscellaneous expenses	52.60	48.84
<b>Total</b>	<b>263.57</b>	<b>223.77</b>

### NOTE 30A AUDITOR'S REMUNERATION

₹ in Lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Payments to the Auditor (exclusive of taxes wherever applicable)		
Statutory audit fees	2.00	1.80
<b>Total</b>	<b>2.00</b>	<b>1.80</b>

### NOTE 31 EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net profit for the year attributable to the equity shareholders (₹ in Lakhs)	50.11	(179.33)
Weighted average number of equity shares (Basic)	9012262	8284000
Weighted average number of equity shares (Diluted)	11513798	8284000
Par value per share	10	10
Earnings per share		
Basic (₹)	0.56	(2.16)
Diluted (₹)	0.44	(2.16)

### NOTE 32 CONFIRMATION OF TRADE RECEIVABLE, TRADE PAYABLES AND OTHERS

The Company has carried out exercise of balances confirmation of trade receivable, trade payable, advances given, and other financial and non-financial assets and liabilities and have received confirmations in most of the cases. In few cases, such balances are subject to confirmation/ reconciliation and their balances are stated as per books of accounts. Adjustments, if any will be accounted for on confirmation/ reconciliation of the same, which in the opinion of the management will not have a material impact.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 33

In the opinion of the Board of directors, assets other than property, plant and equipment and intangible assets have a value on realised in the ordinary course of the business at least equal to the amount at which they are stated in the Balance Sheet and provisions for all known / expected liabilities have been made.

### NOTE 34 EMPLOYEE BENEFITS ACCOUNTING STANDARD 15 (AS 15)

#### A. Defined Contribution Plan

Particulars	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Employers' Contribution during the year to Employee State Insurance (ESI)	0.69	-
Employers' Contribution during the year to Employee Provident Fund (EPF)	1.33	0.34

#### B. Defined Benefit Plan

**The cost related to Gratuity and Leave Encashment have been valued as per actuarial valuation done on 31st March, 2024**

**The Disclosures as required under Accounting standard - 15 (revised) (AS-15) is as follows:**

Particulars	Gratuity		Leave Encashment	
	For the year ending March 31, 2024	For the year ending March 31, 2023	For the year ending March 31, 2024	For the year ending March 31, 2023
<b>Change in benefit obligations</b>				
Obligations at period beginning - Current	7.87	3.36	-	-
Obligations at period beginning - Non-current	9.40	15.55	-	-
Service cost	3.30	2.43	1.51	-
Interest on defined benefit obligation	1.28	1.01	-	-
Benefits settled	(9.21)	(5.42)	-	-
Actuarial (gain)/ loss	(5.63)	0.35	-	-
Obligations at period end	7.01	17.27	1.51	-
Current Liability (within 12 months)	0.15	7.87	0.15	-
Non Current Liability	6.86	9.40	1.36	-
<b>Change in plan assets</b>				
Plans assets at period beginning, at fair value	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Contributions	9.21	5.42	0.00	-
Benefits settled	(9.21)	(5.42)	0.00	-
Plans assets at period end, at fair value funded status	-	-	-	-
<b>Net Asset/ (Liability) recognized in balance sheet</b>				
Closing PBO	7.01	17.27	1.51	-
Closing Fair value of plan assets	-	-	-	-
Net asset/ (Liability) recognized in balance sheet	(7.01)	(17.27)	(1.51)	-
<b>Expenses recognised in the statement of profit and loss</b>				
Service cost	3.30	2.43	1.51	-
Interest cost	1.28	1.01	0.00	-
Expected return on plan assets	0.00	0.00	0.00	-
Actuarial (gain)/ loss	(5.63)	0.35	0.00	-
Net gratuity/ leave cost	(1.04)	3.79	1.51	-
Actual return on plan assets	0.00	0.00	0.00	-
Experience Adjustment on Plan Liabilities	0.00	0.00	0.00	-
Experience Adjustment on Plan Assets	0.00	0.00	0.00	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 34 EMPLOYEE BENEFITS ACCOUNTING STANDARD 15 (AS 15) (CONTD.)

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	For the year ending March 31, 2024	For the year ending March 31, 2023	For the year ending March 31, 2024	For the year ending March 31, 2023
<b>Assumptions</b>				
Discount factor	7.21%	7.44%	7.52%	7.52%
Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Estimated rate of return on plan assets	-	-	-	-
Salary increase	5.50%	5.50%	5.50%	5.50%
Attrition rate	5.00%	5.00%	5.00%	5.00%
Mortality table	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement age	60	60	60	60

### NOTE 35 SEGMENT REPORTING

In accordance with the principles given in Accounting Standard on Segment Reporting (AS-17) specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021, as applicable, the Company has only reportable single business segment of business i.e., manufacturing ERW MS PIPES and Trading of MS PIPES. As regards geographical segment, company operates in single segment i.e., India only. Hence, no separate disclosure is given as per AS - 17 "Segment Reporting".

### NOTE 36 DISCLOSURES FOR RELATED PARTY TRANSACTIONS

**Note 36A Disclosure as required by Accounting Standard 18 (AS - 18) – "Related Party Disclosures" are as follows**

#### Details of Related Parties

Description of relationship	Names of related parties	
Key Management Personnel (KMP) and Relatives of the Key Management Personnel with whom the company has any transaction during the year.	Vijay Singla	Director
	Chetan Singla	Director
	Pavni Singla	Director cum Chief Financial Officer
	Mohinder Singh	Company Secretary
	Dinesh Karshanbhai Patel	Director - Resigned
	Mukesh Vishrambhai Patel	Director - Resigned
	Karshanbhai Patel	Director - Resigned
	Hetika Dipak Kinger	Director - Resigned
	Dineshbhai Dhanjibhai Patel	Director - Resigned
	Gaurav Rajeshbhai Patel	Chief Financial Officer - Resigned
	Shwetal Maliwal	Company Secretary - Resigned

Entities over which key management personnel/ Relatives of key management personnel are able to exercise significant influence with which the company has any transactions during the year. Vinayak TMT Bars Private Limited

#### Note 36B Details of related party transactions during the year

₹ in Lakhs

Particulars	KMP and their relatives		Enterprises Controlled by Key management Personnel and their relatives	
	For the year ending March 31, 2024	For the year ending March 31, 2023	For the year ending March 31, 2024	For the year ending March 31, 2023
Sale of goods and services	-	-	-	161.65
Sales of assets	-	-	-	4.00
Remunerations	31.91	14.42	-	-



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 36 DISCLOSURES FOR RELATED PARTY TRANSACTIONS (CONTD.)

#### Note 36C Details of balances outstanding as at the year end

₹ in Lakhs

Particulars	KMP and their relatives		Enterprises Controlled by Key management Personnel and their relatives	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Salary payable	11.76	0.57	-	-
Debtors	-	-	-	0.00

### NOTE 37 ACCOUNTING STANDARD 22 (AS-22) "ACCOUNTING FOR TAXES ON INCOME"

In compliance with the Accounting Standard-22 relating to "Accounting for Taxes on Income" the deferred tax liability of current year is charged/ (credited) to statement of profit and loss.

#### Deferred tax working

₹ in Lakhs

Particulars	As at March 31, 2023	Charge/ (Credit) to statement of profit and loss	As at March 31, 2024
Deferred tax (Assets) / Liabilities on account of depreciation	56.28	(6.77)	49.51
Deferred tax (Assets) / Liabilities on account of others	-	(3.65)	(3.65)
<b>Net Deferred tax (Assets)/ liabilities</b>	<b>56.28</b>	<b>(10.42)</b>	<b>45.86</b>

### NOTE 38 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

₹ in Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Contingent liabilities</b>		
Guarantees given by the bank on behalf of the company	-	-
<b>Commitments</b>		
1. Estimated amounts of contracts remaining to be executed on capital account and not provided for (Net of advance)		
i. Towards property, plant and equipment	-	-
ii. Towards intangible assets	-	-
2. Letters of Credit issued by bankers towards procurement of goods and services and outstanding as at year end.	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 39 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

There are no Micro and Small Enterprises, to whom the Company owes dues as at March 31, 2024 (Nil as at March 31, 2023). This has been determined to the extent the status of such parties could be identified on the basis of information available with the Company.

Particulars	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
e) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
g) Further interest remaining due and payable for earlier years	-	-

### NOTE 40 IMPAIRMENT OF ASSET

In term of Accounting Standard on 'Impairment of Assets' (AS - 28) specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021, as applicable, according to the assessment made by the management there is no indication that the assets of the Company are impaired as on the Balance Sheet date. Accordingly, the Company has not provided any impairment loss in the accounts during the year.

### NOTE 41

There being no import, export and foreign exchange earning/ outgo during the period under review so that additional information pursuant to the provisions of Schedule III to the Act is not provided.

### NOTE 42 ANALYTICAL RATIOS

Ratio	Numerator	Denominator	As at March 31, 2024	As at March 31, 2023	% variance
Current Ratio (times) (Note 1)	Total current assets	Total current liabilities	2.72	2.03	33.87%
Debt – Equity Ratio (times)	Total debts consist of borrowings	Total equity	0.48	0.50	-3.59%
Debt Service Coverage Ratio (Times)(Note 2)	EBITDA	Interest expense + Borrowings paid during the year	0.10	0.04	154.48%
Return on Equity (ROE) (%) (Note 3)	Net profit after tax	Average total equity	0.90%	-7.57%	-111.91%
Inventory turnover ratio (Times) (Note 4)	Cost of goods sold	Average inventories	3.73	5.41	-30.97%
Trade receivables turnover ratio (Times)(Note 5)	Revenue from operations	Average trade receivables	21.25	13.49	57.58%
Trade payables turnover ratio (Times)(Note 6)	Net credit purchases of raw materials and stock-in-trade	Average trade payables	50.67	19.56	159.02%
Net capital turnover ratio (Times)(Note 7)	Revenue from operations	Average working capital	3.21	7.85	-59.15%
Net profit ratio (%) (Note 8)	Net profit after tax	Revenue from operations	0.32%	-1.45%	-122.26%
Return on Capital employed (Times)(Note 9)	Earnings before tax and finance costs	Capital employed	0.01	-0.01	-150.30%
Return on investment (%)	N. A.	N. A.	N. A.		

Explanation for change in the ratio by more than 25%



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 42 ANALYTICAL RATIOS (CONTD.)

1. The current assets are increased compared to increase in current liability, hence there is increase in ratio.
2. Debt service coverage ratio increase due to increase in EBITDA.
3. Return on equity ratio higher due to increase in net profit after tax.
4. It has reduced because of considerable increase in inventory vis-à-vis turnover.
5. Trade receivables turnover ratio increased due to lower trade receivable and increased turnover.
6. Trade payable turnover ratio increased due to lower trade payable and increased purchases.
7. It has reduced because of considerable increase in average working capital vis-à-vis turnover.
8. Due to increase in profit after tax for current year as compared to previous year.
9. Due to increase in earnings before tax and finance costs as compared to previous year.

### NOTE 43 ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013

#### 1. Details of Benami Property held

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

#### 2. Title deeds of immovable properties

The title deeds of all immovable properties disclosed in the financial statements included in property, plant and equipment and capital work in progress are held in the name of the Company as at the balance sheet date.

#### 3. Revaluation of property, plant and equipment

As per the Company's accounting policy, Property, Plant and Equipment and intangible assets are carried at historical cost (less accumulated depreciation and impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

#### 4. Security of current assets against borrowings

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

#### 5. Wilful defaulter

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

#### 6. Relationship with Struck off companies

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

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 43 ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013 (CONTD.)

#### 7. Registration of charges or satisfaction with Registrar of Companies

During the financial year, there is no delay by the Company in the registration of charges or satisfaction with Registrar of Companies beyond statutory period except in one case which is disclosed as under:

Brief description of the charges or satisfaction	Location of the Registrar	Reason for delay in registration
Modification of charge for Working Capital Loan of ₹ 1,535.00 Lakhs from HDFC Bank Limited	Ahmedabad	The entire working capital facilities has been settled by the old management and now at the request of new management the Bank is in process for sanctioning new working capital limits to the Company Accordingly, the charge is pending for modification.

#### 8. Compliance with number of layers of companies

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

#### 9. Compliance with approved Scheme(s) of Arrangements

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

### NOTE 43 ADDITIONAL REGULATORY DISCLOSURES AS PER SCHEDULE III OF COMPANIES ACT, 2013 (CONTD.)

#### ## Utilisation of Borrowed funds and share premium

- (A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) during the year with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- 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.
- (B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) during the year with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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 to or on behalf of the Ultimate Beneficiaries.

#### ## Crypto currency or Virtual Currency transactions

The Company has not operated in any crypto currency or Virtual Currency transactions.

#### ## Undisclosed Income

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

#### ## Loans or advances - Additional disclosures

- The Company has not granted any loan or advance in nature of loan to promoters, directors, key managerial personnel and related parties as defined under the Act either severally or jointly with any other person that is (a) repayable on demand; or (b) without specifying any terms or period of repayment.
- Particulars of investments - Refer note 14 non-current investment.
- There is no guarantee given or security provided by the Company.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### NOTE 44

The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level and certain master fields (Asset Master, Customer Master and Vendor Master) for users with certain privileged access rights as it related to the accounting softwares. Further no instance of audit trail feature being tampered with was noted in respect of the software.

### NOTE 45

The figures for the corresponding previous year have been regrouped/ reclassified, wherever considered necessary, to make them comparable with current year classification.

The figures of the financial statements are represented as ₹ in Lakhs upto two decimal places leaving the scope of rounding up variations.

The accompanying notes from an integral part of the financial statements.

#### for Anu and Associates

Chartered Accountants  
ICAI Firm Registration Number 019624N

#### CA. Parveen Kumar

FCA., Partner  
Membership Number 531655  
UDIN: 24531655BKBIGO7152  
Place: Chandigarh  
Date: May 28, 2024

#### for and on behalf of the Board of Directors of Surani Steel Tubes Limited

#### Vijay Singla

Managing Director  
DIN: 00156801

#### Pavni Singla

Whole-time Director cum Chief Financial Officer  
PAN: HFWPK7352P

#### Chetan Singla

Joint Managing Director  
DIN: 00549795

#### Mohinder Singh

Company Secretary  
Membership Number: A21587



## NOTICE OF THE 12<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the Twelfth (12<sup>th</sup>) Annual General Meeting of Surani Steel Tubes Limited will be held on Saturday, September 28, 2024 at 11:00 a.m. (IST) through Video Conferencing and Other Audio-Visual Means, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended **March 31, 2024**, together with the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Vijay Singla (DIN: 00156801), Managing Director, who retires by rotation and being eligible, offer himself for re-appointment.

### SPECIAL BUSINESS:

#### 3. RATIFICATION AND APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), , the remuneration payable to M/s Balwinder & Associates, Cost Accountants (Firm Registration Number: 000201) appointed by Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2024-25, amounting to ₹ 45,000/- (Rupees Forty Five Thousand only) p.a. plus taxes as applicable and reimbursement of out of pocket expenses as incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

Sd/-  
**Mohinder Singh**  
Company Secretary  
ACS-21857

Date: September 06, 2024

Place: Chandigarh



## NOTES

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

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.suranisteel.com](http://www.suranisteel.com). The Notice can also be accessed from the websites of National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
6. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-Off Date i.e. Saturday, September 21, 2024 Members whose names appear in the Register of Members / List of Beneficial Owners as on the Cut-off Date shall only be considered eligible for the purpose of Remote e-Voting and those members would be able to cast their votes and convey their assent or dissent to the proposed resolution only through the Remote e-Voting process. Any person who is not a Member as on the Cut-off date should treat this Notice of AGM for information purpose only.
7. Members of the Company as on the Cut-Off Date (including those Members who may not have received this Notice due to non-registration of their e-mail addresses with the Company/RTA/Depositories) shall be entitled to vote in relation to the aforementioned resolution in accordance with the process specified in this Notice.
8. The Board of Directors have appointed Mr. Sahil Malhotra, proprietor of M/s S.V. Associates, Practicing Company Secretaries, as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
9. The Remote e-Voting will commence on Wednesday, September 25, 2024 at 9:00 a.m. (IST) and ends on Friday, September 27, 2024 at 5:00 p.m. (IST). During this period, members of the Company holding shares in physical or electronic form as on the Cut-Off Date may cast their vote electronically. The Remote e-Voting will be blocked by NSDL immediately thereafter and will not be allowed beyond the said date and time.
10. The result declared along with the Scrutinizer's Report will be forwarded to NSE Limited and shall be simultaneously uploaded on the Company's website <https://suranisteel.com> and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately.
11. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of the shares held in electronic form, and to the Company or the RTA (M/s Link Intime Pvt. Ltd.), in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.

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

The Remote e-voting period commences on **Wednesday, September 25, 2024 at 9:00 a.m. (IST) and ends on Friday, September 27, 2024 at 5:00 p.m. (IST)**. During this period, the

Members of the Company holding shares either in physical form or in dematerialized form as on may cast the vote electronically through remote e-voting. The remote e-voting facility shall be disabled by NSDL for voting after **5:00 p.m. on September 27, 2024**.




Voting rights shall be reckoned on the number of shares registered in the name of the Member as on the **Cut-off date, i.e. September 21, 2024**. A Member attending the AGM, who has not cast the vote by means of remote e-voting, shall be able to cast the vote through e-voting at the AGM.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>  <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>



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

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

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

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

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

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

- 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, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.



6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

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

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@suranisteel.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@suranisteel.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e.

#### Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

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

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING****ITEM NO. 3**

The Board, on recommendation of the Audit Committee, has approved the appointment and remuneration of Cost Auditor, M/s Balwinder & Associates, Cost Accountants (Firm Registration Number: 000201) at a remuneration of ₹ 45,000/- (Rupee Forty Five Thousand Only) plus taxes as applicable taxes to conduct the audit of the cost accounting records of the Company in accordance with the provisions of the Act and Rules made thereunder for the Financial Year ending 31<sup>st</sup> March 2025.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor is required to be ratified by the shareholders of the company. Accordingly, consent of the Members is sought by passing an Ordinary

Resolution as set out at Item No. 8 of the Notice for ratifying proposed remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March 2025.

No Director or Key Managerial Personnel of the company or their relatives have any concern or interest, financial or otherwise, in the Resolution set out at Item No. 3 of the Notice. As per Section 102(2) of the Act, it is clarified that the proposed Resolution does not relate to or affect any other Company.

For and on behalf of Surani Steel Tubes Limited

Sd/-

**Mohinder Singh**  
Company Secretary  
ACS-21857

Date: September 06, 2024  
Place: Chandigarh







**Registered Office**

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