



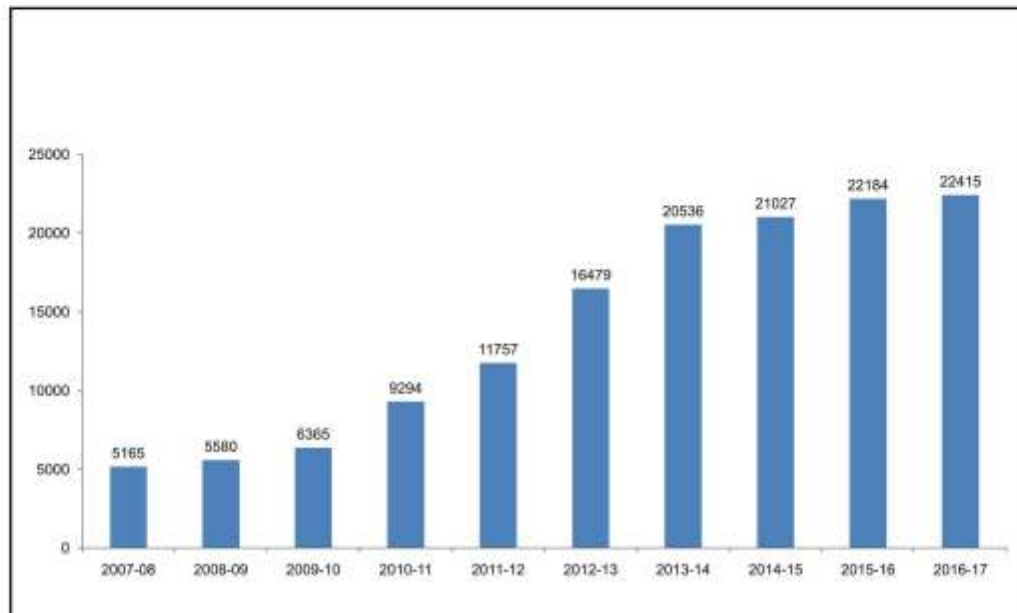
# STEELCAST LIMITED

46th Annual Report

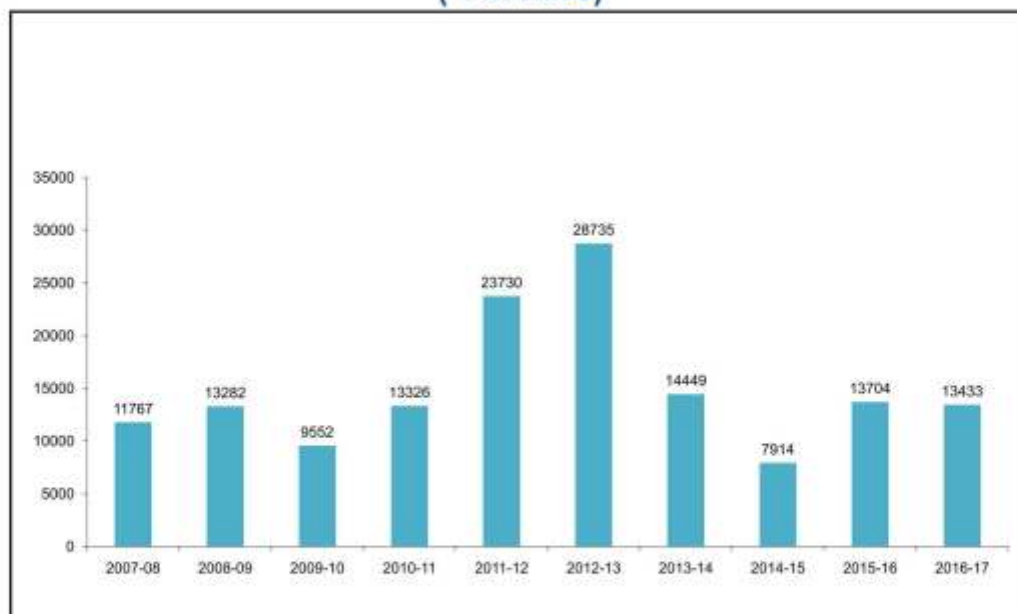
2016-17



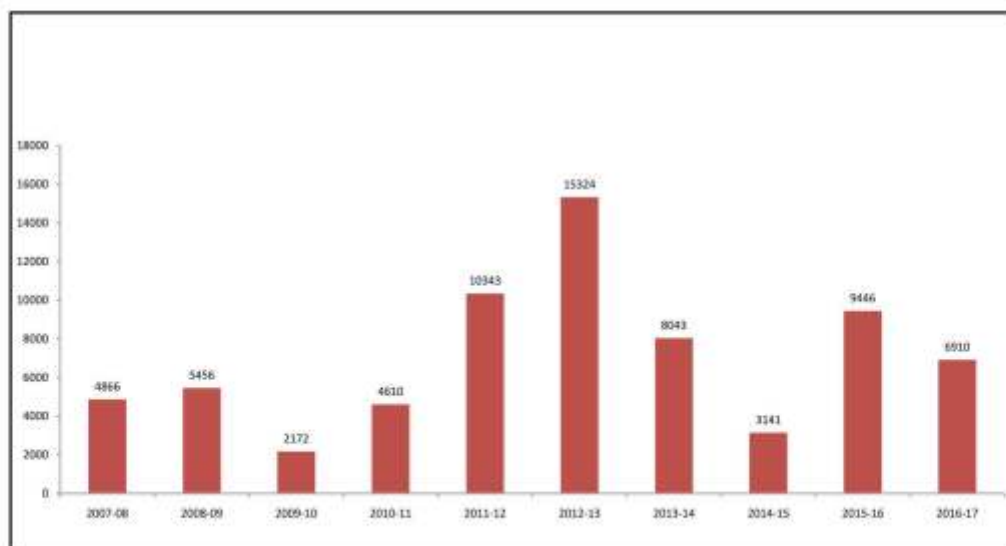
### Gross Block of Fixed Assets ( ₹ in Lacs)



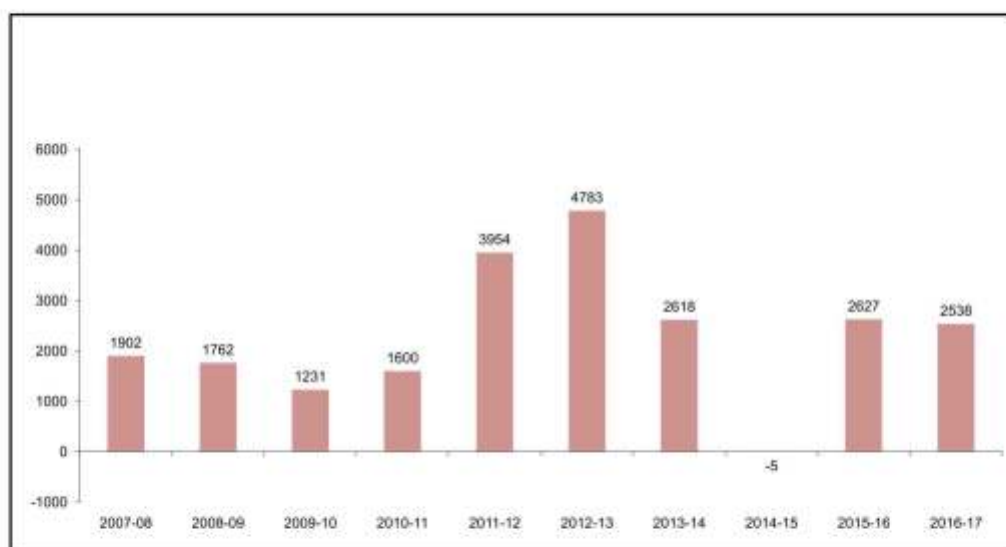
### Sales and Operational Income ( ₹ in Lacs)



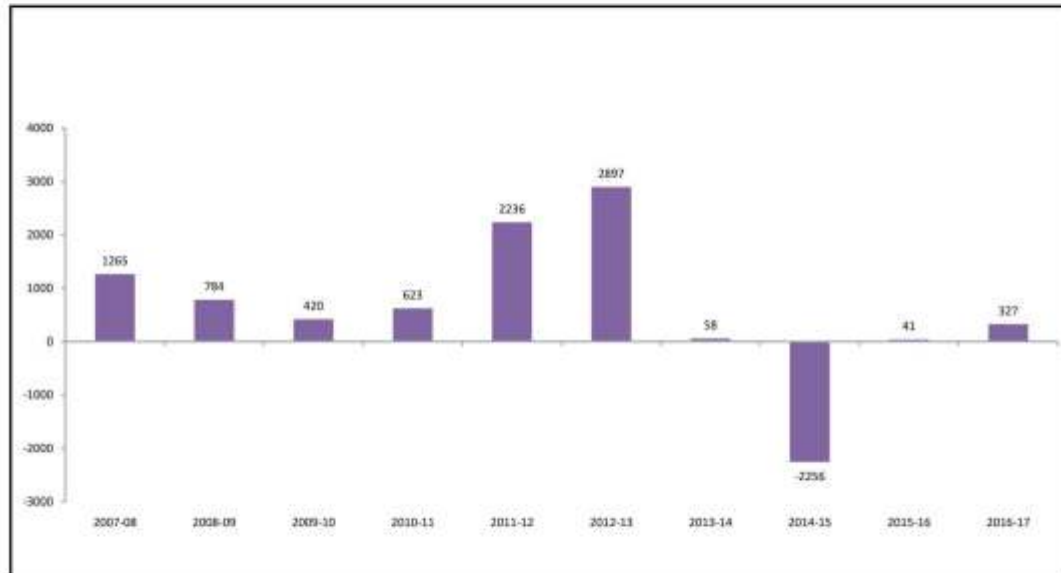
### Export Earnings (FOB) (₹ in Lacs)



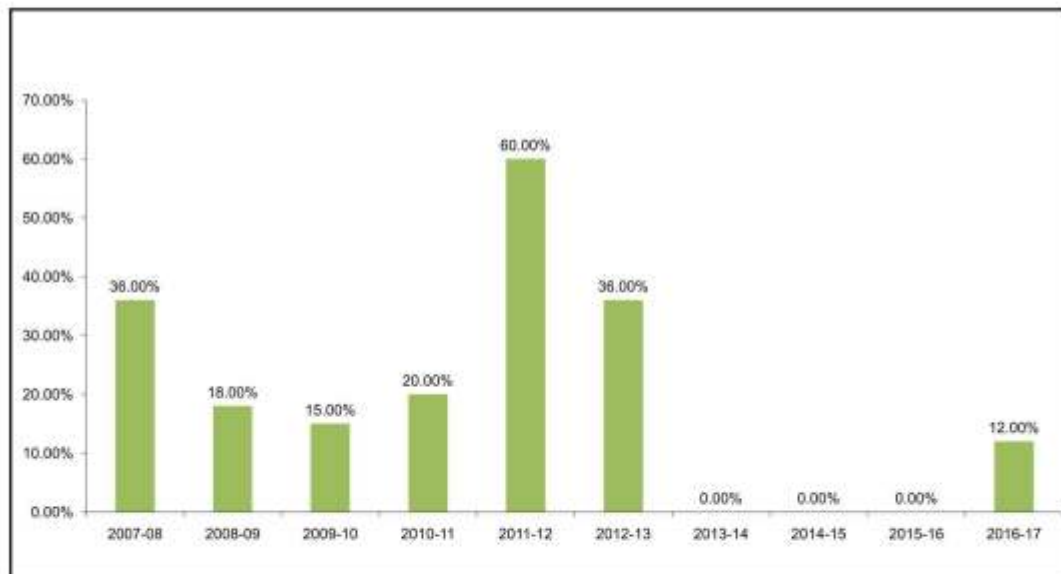
### Operating Profit (EBIDTA) (₹ in Lacs)



### Profit Before Tax (PBT) (₹ in Lacs)



### Dividend on Equity Share



**STEELCAST LIMITED****BOARD OF  
DIRECTORS**

Shri Chetan M Tamboli	Chairman & Managing Director
Shri T Kumar	Whole Time Director
Shri Rajendra V Gandhi	Independent Director
Shri Rameshchandra V Shah	Independent Director
Shri Apurva R Shah	Independent Director
Shri Rajesh R Gandhi	Independent Director
Smt. Manali C Tamboli	Non-Independent Director
	Non-Executive Director

**COMPANY SECRETARY**

Mr. Vishal K Sondagar (Appointed on 22.05.2017)  
Ms. Neelam N Ahuja (Resigned on 22.05.2017)

**CHIEF FINANCIAL OFFICER**

Mr. Subhash R Sharma (Appointed on 24.01.2017)

**BANKERS**

Bank of India  
Standard Chartered Bank  
HDFC Bank Ltd.

**AUDITORS**

Sanghavi & Company  
Chartered Accountants  
Bhavnagar

**REGISTERED OFFICE  
& WORKS**

Ruvapari Road  
Bhavnagar, Gujarat-364005, India  
Phone : (91) (278) 251 9062  
Fax : (91) (278) 242 0589/251 9831  
(91) (278) 251 3342  
E-mail : info@steelcast.net  
Website: www.steelcast.net

**CORPORATE ID NO**

L27310GJ1972PLC002033

**ISIN**

INE124E01020

**SCRIP CODE AT BSE**

513517

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# SIGNIFICANT FINANCIAL INDICATORS FOR LAST TEN YEARS



(All Values in ` Lacs, Except Sr. No. 8 to 12)

Sr. No.	Aspect	As at the end of 31 <sup>st</sup> March									
		2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	Total Income	11,786.95	13,283.27	9,566.27	13,379.89	23,797.66	28,735.05	14,448.80	7914.31	13704.24	13433.97
2	Operating Profit	1,901.80	1,759.09	1,231.18	1,599.73	3,954.04	4,782.92	2,618.22	-4.57	2627.40	2537.97
3	Profit After Tax	804.88	511.16	278.44	432.59	1,411.01	1,965.42	42.57	-1850.04	13.29	235.63
4	Net Worth	3,415.46	3,723.00	4,086.49	4,520.13	5,961.96	7,704.14	7,907.10	5990.84	7186.46	7422.09
5	Total Borrowed Funds	4,776.05	4,344.77	3,975.82	6,497.48	8,485.44	11,631.81	13,721.91	14361.95	12800.66	10726.13
6	Fixed Assets (Net)	3,397.67	3,749.52	3,707.44	6,261.42	7,922.27	12,148.19	14,913.57	13976.83	13409.44	12579.52
7	Net Current Assets	5,039.05	4,698.72	4,739.34	4,425.42	6,466.61	7,322.19	5,650.32	4787.08	4619.99	4331.50
8	Book Value Per Share ( ` ) (Adjusted to Sub Division & Bonus Issue)	24	26	27	29	36	44	43	32.89	35.51	36.67
9	Earning Per Share (Basic) (Adjusted to Sub Division & Bonus Issue)	5.5	2.8	1.9	2.8	9.3	11.8	0.23	-10.16	0.07	1.16
10	Dividend (%)	36.00	18.00	15.00	20.00	60.00	36.00	0.00	0.00	0.00	12.00
11	Debt Equity Ratio	1.40	1.17	0.97	1.44	1.42	1.51	1.74	2.40	1.78	0.58
12	Operating Profit to Sale (%)	16.16	13.24	12.87	11.96	16.62	16.64	18.12	-0.06	19.17	18.89

## STEELCAST LIMITED

CIN: L27310GJ1972PLC002033

Registered Office : Ruvapari Road, Bhavnagar, Gujarat 364 005.

Phone 0278-2519062 www.steelcast.net info@steelcast.net

### Notice of 46<sup>th</sup> Annual General Meeting

NOTICE is hereby given that the **46<sup>th</sup> Annual General Meeting** of the Members of STEELCAST LIMITED will be held at 1600 Hours on Tuesday the 4<sup>th</sup> July 2017, at Efcce Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Vidhyanagar, Bhavnagar, Gujarat 364002, to transact the following business:

#### Ordinary Business :

1. To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Report of the Board of Directors' and Auditors' thereon.
2. To declare dividend on equity shares for the year ended 31st March, 2017.
3. To appoint a Director in place of Mr. Tipirneni Kumar, a Whole Time Director having Director Identification Number 00028100, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration and in this regard pass the following resolution as an ORDINARY RESOLUTION:

RESOLVED THAT pursuant to provision of section 139 and other applicable provisions, if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) read with the Companies (Audit and Auditors) Rules, 2014, the company hereby approves the appointment of M/s S. S. M. & Co, Chartered Accountants, (FRN:129198W) as Statutory Auditors of the Company to hold office for a period of 3 (Three) years from the conclusion of this Annual General Meeting of the Company until the conclusion of 4th Annual General Meeting to be held for the financial year 2019-20, subject to ratification at each annual general meeting, on such remuneration as may be determined by the Audit Committee/Board of Directors of the Company in consultation with the auditors."

#### Special Business :

5. To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:  
"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a remuneration of Rs. 75,000 (Rupees Seventy Five Thousand) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses, for the Financial Year commencing on 1st April, 2017 and ending on 31st March, 2018, as fixed by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. S K Rajani & Co., Cost Accountants (FRN.101113), for the conduct of the Cost Audit of the Company's Steel castings products (CETA Heading 7325,7325 and 8487), be and is hereby ratified and confirmed."
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:  
"RESOLVED THAT pursuant to the provisions of Section 73 of the Companies Act, 2013 read with the provisions of the Companies (Acceptance of Deposits) Rules, 2014, and other applicable provisions, if any, and subject to such conditions and approval and permissions as may be necessary, consent of the Members of the Company is accorded to invite/ accept/ renew/ receive money by way of unsecured/ secured or in any other form deposits from the Members of the

Company, through circular, advertisement or any other permissible mode, up to the permissible limits prescribed under the applicable provisions of law and on the terms and conditions as the Board of Directors in its sole discretion deems fit and necessary;"

"RESOLVED FURTHER THAT the Board of Directors is authorised to do all such acts, deeds and things, as may deem fit and necessary for the purpose of giving effect to this Resolution."

By Order of the Board of Directors  
For **STEELCAST LIMITED**

Place: Ahmedabad

**(Chetan M Tamboli)**

Date: May 22, 2017

Chairman & Managing Director

**Notes:**

1. The relevant Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013, in respect of the special business is annexed hereto.
2. A statement giving the relevant details of the Directors seeking re-appointment is annexed hereto.
3. **A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a Proxy to attend and vote instead of himself/herself and the Proxy need not be a member of the Company. The proxy form duly completed and signed should be lodge with the Company at its Registered Office at least 48 hours before the time of the meeting.**
4. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
9. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 28th June, 2017 to 4th July, 2017 (both days inclusive) for the purpose of 46th Annual General Meeting
10. Pursuant to Section 124 & Section 125 as per Companies Act, 2013 came in to effect on 7<sup>th</sup> September, 2016 (corresponding to the provisions of Section 205A(5) and 205C of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established



by the Government. Accordingly, the unclaimed/unpaid dividend in respect of financial year 2009-10 is due for transfer to the said Fund in September 2017. In terms of provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205C of the Companies Act, 1956), no claim shall lie against the Company or the said Fund after the said transfer.

11. Members who have neither received nor encashed their dividend warrant(s) for the financial year 2009-10, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
12. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the R&T Agents M/s. MCS Share Transfer Agent Ltd, 101, First Floor, Shatdal Complex, Opp: Bata Show Room, Ahmedabad 380 009 or the Company at Ruvapari Road, Bhavnagar 364 005. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
13. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
14. **Voting through electronic means:** In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (LODR) Regulation 2015, the Company is pleased to offer e-voting facility to its members in respect of the business to be transacted at the 46th Annual General Meeting (AGM). The Company has engaged the service of National Securities Depository Limited (NSDL) as authorized agency to provide e-voting facilities. The instructions for remote e-voting are as under:
  - 14.1 In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participants), the following may be done:
    - a. Open the email and the attached PDF file viz; "STEELCAST remote e-voting. PDF" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
    - b. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
    - c. Click on Shareholder-Login
    - d. Put user ID and password as initial password/PIN noted in step (a) above. Click Login.
    - e. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep password confidential.
    - f. Home page of e-voting opens. Click on e-voting: Active Voting Cycle.
    - g. Select "EVEN" of STEELCAST LIMITED
    - h. Now you are ready for e-voting as Cast Vote page opens.
    - i. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
    - k. Once you have voted on the resolution, you will not be allowed to modify your vote.
    - l. 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [dgbhimani@yahoo.co.in](mailto:dgbhimani@yahoo.co.in) with a copy marked to

**evoting@nsdl.co.in**

- 14.2 In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participants or requesting physical copy):
- Initial password will be provided separately:  
EVEN (E Voting Event Number) USER ID PASSWORD/PIN
  - Please follow all steps in Sr. Nos. 14.1 a to l above to cast vote.
- 14.3 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 Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact Mr. Rajeev Ranjan, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013 on 022-24994738, toll free : 1800-222-990.
- 14.4 If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- 14.5 The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. In the event a member casts his votes through both the processes, the votes in the electronic system would be considered and the ballot vote would be ignored.
- 14.6 You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- 14.7 The remote e-voting period commences on 01<sup>st</sup> July, 2017 (9:00 am) and end on 03<sup>rd</sup> July, 2017 (5:00 pm) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 27<sup>th</sup> June, 2017 may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- 14.8 The voting rights of the shareholders shall be in proportion of their shares of the paid up equity share capital of the Company as on the cut-off date of 27<sup>th</sup> June, 2017.
- 14.9 Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. 27<sup>th</sup> June, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cs@steelcast.net](mailto:cs@steelcast.net). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- 14.10 Mr. Dinesh G Bhimani of D G Bhimani & Associates, Practicing Company Secretary (Membership No. FCS 8064) (Address: 207, Nathwani Chambers, Sardar Gunj, Anand-388 001, Gujarat) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the physical ballots received from members who do not have access to the e-voting process and at the Annual General Meeting) in a fair and transparent manner.
- 14.11 The Scrutinizer shall immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, not later than two (2) days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman of the Company who shall countersign the same and declare the result of the voting forthwith.
- 14.12 The Results shall be declared after the receipt of the Scrutinizer's Report from conclusion of the AGM of

the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.steelcast.net](http://www.steelcast.net) and on the website of NSDL immediately. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

15. To ensure correct identity of the members for the smooth conduct of the Annual General Meeting, each Member and Proxy Holder attending the meeting is expected to bring with him/her an appropriate photo ID document like a Driving License, Passport, and Voter ID Card.
16. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the communications via email.
17. Members having any questions on accounts are requested to send their queries at least 10 days in advance to the Company at its Registered Office address to enable the Company to collect the relevant information.

By Order of the Board of Directors  
For **STEELCAST LIMITED**

Place : Ahmedabad

**(Chetan M Tamboli)**

Date: May 22, 2017

Chairman & Managing Director

### **EXPLANATORY STATEMENT**

#### **(Pursuant to section 102(2) of the Companies Act, 2013)**

In conformity with the provisions of Section 102(2) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice.

#### **Item No. 5 of Special Business:**

Pursuant to provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual/ firm of cost accountant(s) in practice on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor. The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the shareholders.

On recommendation of the Audit Committee at its meeting held on 22nd May, 2017, the Board has considered and approved appointment of M/s S K Rajani & Co., Cost Accountants having FRN.101113, for the conduct of the Cost Audit of the Company's Steel castings products (CETA Heading 7325, 7325 and 8487) at a remuneration of Rs. 75,000 plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses for the Financial Year ending on March 31, 2018.

The Board recommends the resolution set out at Item No. 5 of the Notice for the approval and ratification by the members in terms of Section 148 of the Companies Act, 2013, as Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested, financially or otherwise, in the passing of the Resolutions set out at Item No. 5.

#### **Item No. 6 of Special Business:**

Keeping in view of fund requirements, the Company may accept deposits from its members as per the provisions of Section 73 and as per the provisions of Companies (Acceptance of Deposits) Rules, 2014.

Accordingly, a resolution is required to be passed by the shareholders for authorizing the Board of Directors to

accept the deposits from shareholders up to a maximum amount of representing 25% of the paid-up share capital and free reserves of the Company.

The Directors recommends the resolution as set out at Item No. 6 of the Notice for member's approval as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

By Order of the Board of Directors  
For **STEELCAST LIMITED**

Place : Ahmedabad

**(Chetan M Tamboli)**

Date: May 22, 2017

Chairman & Managing Director

### **ANNEXURE TO ITEMS NO. 3 OF THE NOTICE**

Details of Directors seeking re-appointment at the  
46<sup>th</sup> Annual General Meeting

(In pursuance of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

<b>Name of the Director</b>	Mr. Tipirneni Kumar (DIN No. 00028100)
<b>Date of Birth</b>	09.07.1940
<b>Nationality</b>	Indian
<b>Date of Appointment on Board</b>	22.09.1979
<b>Qualification</b>	Master of Engineering (Foundry)
<b>Experience</b>	Mr. Tipirneni Kumar, has been appointed as Whole Time Director of the Company on September 22, 1979. He has vast experience in engineering foundry.
<b>Shareholding</b>	He holds 1,20,000 Equity Shares (0.5929%) in the Company.
<b>Terms and conditions of appointment or re-appointment along with details of remuneration</b>	-
<b>Remuneration last drawn</b>	1,53,000 P.M.
<b>No. of Meetings of the Board attended during the year</b>	Four meetings attended out of Five meetings held during the Financial Year 2016-17.
<b>Directorships of other Companies</b>	NIL
<b>Membership/ Chairmanship of Committees of other Companies</b>	No Memberships / Chairmanships of Committees of other Companies.
There is no inter-se relationship between the Board Members.	

By Order of the Board of Directors  
For **STEELCAST LIMITED**

Place : Ahmedabad

**(Chetan M Tamboli)**

Date: May 22, 2017

Chairman & Managing Director

**ROUTE MAP TO THE VENUE OF 46<sup>TH</sup> AGM OF STEELCAST LIMITED TO BE HELD ON  
TUESDAY, 4<sup>TH</sup> JULY, 2017**



**BOARD'S REPORT**

Dear Shareholders,

The Directors of your Company are pleased to present the **46<sup>th</sup> Annual Report** together with the Audited Financial Statement for the financial year ended on March 31, 2017.

**1. FINANCIAL RESULTS:**

(Rupees in Lacs)

Sr. No.	Particulars	2016-17	2015-16
1	Sales	13,434	13,704
2	Other Income	134	37
3	<b>Total Income</b>	<b>13,568</b>	<b>13,741</b>
4	Profit Before Depreciation & Tax (PBDT)	1544	1,273
5	Less: Depreciation	1,217	1,231
6	Profit Before Taxation (PBT)	327	41
7	Less: Taxation (all Taxes)	91	28
8	Profit After Taxation (PAT)	236	13
9	Add: Balance brought forward from last year	(1,544)	(1,557)
10	Amount Available for Appropriation	(1,308)	(1,544)
	<b>Appropriations:</b>		
	(a) Interim Dividend	-	-
	(b) Proposed Dividend	121.44	-
	(c) Corporate Dividend Tax	24.72	-
	(d) General Reserve	-	-
	(e) Balance to be carried forward	(1,454)	(1,544)
	<b>Total</b>	<b>(1,454)</b>	<b>(1,544)</b>

**2. STATE OF COMPANY'S AFFAIRS:**

- The Company has earned revenue from operation of Rs.13,433.96 Lacs during the year ended on 31st March, 2017 as against Rs. 13,704.24 Lacs earned during the previous year ended on 31st March, 2016, with a marginal fall of 1.97% as compared to previous year. The Company has also earned other income of Rs. 133.64 Lacs during the year under review as against Rs.37.12 Lacs earned during the previous year.

The Company earned Profit Before Tax (PBT) of Rs. 327.11 Lacs and Profit After Tax (PAT) Rs 235.63 Lacs during the year ended on 31st March, 2017 as compared to previous year ended on 31st March, 2016 Rs. 41.47 Lacs and 13.29 Lacs respectively, showing a rise of 689% in Profit Before Tax and 1673% in Profit After Tax (PAT).

After adding the surplus in the Statement of Profit & Loss of Rs. (1,544) lacs loss brought forward from the previous year to the profit of Rs. 236 lacs earned by the Company during the year under review, the total amount of Rs. (1,308) lacs loss is available for appropriation.

There is no material change and commitment occurred during the period which affect the financial position of the company.

Further, there is no change in the nature of business of the company.

- DIVIDEND:** The Board of Directors of your Company are pleased to recommend dividend

@ 12% (i.e. Rs 0.60 paise) on fully paid up equity shares of Rs. 5/- each for the financial year ended March 31, 2017, subject to approval of the shareholders at the ensuing Annual General Meeting.

4. **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EARNINGS AND OUTGO:** The Information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this Report as an **Annexure- A** and forming part of this Report.
5. **SEGMENT REPORTING:** The Company is engaged in the Castings Manufacturing business only and therefore there is only one reportable segment in accordance with the Accounting Standard on Segment Reporting, AS-17.
6. **SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE:** The Company is having a partnership firm namely STEELCAST LLC, in USA. During the year under review, no other Company became or ceased to become Subsidiary, Joint Venture or Associate Company.
7. **CORPORATE SOCIAL RESPONSIBILITY (CSR):** Company has formulated Policy on CSR in accordance with Schedule VII of the Companies Act, 2013 and the details of the composition of the Committee are covered in the Corporate Governance Report. Your Company has spent sufficient amount towards CSR activities during the year. Report on CSR activities is annexed as **Annexure- B** and forming part of this Report. The Board has approved Policy on CSR which has been uploaded on the Company's website at [www.steelcat.net](http://www.steelcat.net).
8. **QUALITY:** Your Company has continued emphasis on Research & Development. A dedicated Quality Assurance ("QA") team is monitoring product quality. Substantial CAPEX has been incurred towards quality improvement and product innovation. Your Company strives to be industry leader by adopting modern technology.
9. **INSURANCE:** All assets of the Company, including Building, Plant & Machinery, Stocks etc., wherever necessary and to the extent required, have been adequately insured.
10. **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**10.1 CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

During the period of this report, Mr. Tipirneni Kumar, Whole Time Director and Chief Financial Officer of the Company, has resigned from the position of Chief Financial Officer (CFO) of the Company with effect from 24th January, 2017. The Board appreciates the valuable services rendered by him during his tenure.

Mr. Subhash R Sharma has been appointed as Chief Financial Officer of the Company at the Board Meeting held on 24th January, 2017, upon recommendation made by Nomination & Remuneration Committee and Audit Committee, is to be considered as Key Managerial Personnel under Section 203 of the Companies Act, 2013, effective from 25th January, 2017.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Tipirneni Kumar, Whole Time Director of the Company, shall retire by rotation at this Annual General Meeting and being eligible offer himself for re-appointment. The Members are requested to consider his re-appointment.

Necessary resolutions relating to Directors who are seeking appointment / reappointment are included in the Notice of Annual General Meeting. The relevant details of the said Directors are given in the Notes/annexure to the Notice of the Annual General Meeting.

**10.2 COMPLIANCE ON CRITERIA OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS: All**

Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Act that, they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Act and also under the Listing Regulations.

- 10.3 FORMAL ANNUAL EVALUATION:** The Board of Directors has carried out an annual evaluation of its own performance, its Committees and Individual Directors pursuant to the requirements of the Act and the Listing Regulations.

Further, the Independent Directors, at their exclusive meeting held 24th January, 2017 during the year reviewed the performance of the Board, its Chairman and Non-Executive Directors and other items as stipulated under the Listing Regulations.

- 10.4 NOMINATION AND REMUNERATION POLICY:** The Board has, on the recommendation of the Nomination & Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of the Nomination and Remuneration Policy are covered in the Corporate Governance Report. The said policy has also been uploaded on the Company's website at [www.steelcast.net](http://www.steelcast.net).

- 10.5 MEETINGS:** During the year Five (5) Nos. of Board Meetings and Five (5) Nos. of Audit Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

- 10.6 COMMITTEES OF THE DIRECTORS:** The details of various committees of Directors constituted under various provisions of Companies Act, 2013 and Rules made thereunder, their constitution, terms of reference and other details are provided in the Corporate Governance Report.

Compositions of Board of Directors and various Committees of Directors are available on the Company's website at [www.steelcast.net](http://www.steelcast.net).

- 11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:** Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the Notes to the Financial Statements, if any.

- 12. RELATED PARTY TRANSACTIONS:** Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure- C** in the prescribed Form – AOC-2 and the same forms part of this report. All related party transactions are placed before the Audit Committee and Board of the Company for review and approval or Omnibus approval as permitted under law. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements. Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website at [www.steelcast.net](http://www.steelcast.net).

- 13. PARTICULARS OF EMPLOYEES:** The Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed with this report as **Annexure- D**.

The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

- 14. HUMAN RESOURCES:** Your Company believes that its employees are one of the most valuable assets of the Company. During the year under review, the Company organized various training programs at all level to enhance skill of the employees. As on 31st March, 2017, total employees strength at STEELCAST is over 610. The employees are deeply committed to the growth of the Company.



**15. VIGIL MECHANISM / WHISTLEBLOWER POLICY:** The Company has formulated Whistleblower Policy in conformity with the provisions of Section 177 (9) of the Companies Act, 2013 and Listing Regulations to provide a mechanism for any concerned person of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organization. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the Company's website at [www.steelcast.net](http://www.steelcast.net).

**16. EXTRACT OF ANNUAL RETURN:** Pursuant to the provisions of section 92 (3) of the Companies Act, 2013, an extract of annual return is annexed hereto as Annexure- E and forms part of this report.

**17. SECRETARIAL AUDITORS:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. D.G.Bhimani & Associates, Company Secretary, (CP: 6628) Anand, have been appointed as the Secretarial Auditors to conduct the Secretarial Audit of the Company for the Financial Year 2017-18, the Secretarial Audit Report for the Financial Year 2016-17 is annexed herewith as **Annexure- F** and forms part of this report".

The observations made in the Secretarial Audit Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

**18. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:** Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. As required under Regulation 34 (3) read with Schedule V (C) of the Listing Regulations, a Corporate Governance report and the certificate as required under Schedule V (E) of the Listing Regulations from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance are given in **Annexure- G** and **Annexure- H** respectively, forming part of this report.

**19. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:** Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulation, is annexed herewith as **Annexure- I** and forms part of this report.

**20. COST AUDITORS:** In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have appointed M/s. S K Rajani & Co. Cost Accountants, Bhavnagar as Cost Auditor of the Company, for the Financial Year ending March 31, 2018, on a remuneration as mentioned in the Notice of Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. S K Rajani & Co. Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member's ratification for the remuneration payable to Cost Auditor forms part of the Notice of the Annual General Meeting of the Company and same is recommended for your consideration and approval.

Cost Audit report for the financial year ended March 31, 2016 were filed on October 26, 2016, which was within the time limit as prescribed in Companies (Cost Audit Report) Rules, 2011.

**21. STATUTORY AUDITORS:** As per the provision of the section 139(2) & (3) of the Companies Act, 2013 tenure of existing Auditors M/s Sanghavi & Co., Chartered Accountants, ends on ensuing Annual Meeting and Company requires to rotate appointment of Statutory Auditor.

Accordingly, the Audit Committee and the Board of Directors respectively at their meeting held on

22nd May, 2017, have recommended the Appointment of M/s. S. S. M. & Co., Chartered Accountants (FRN:129198W), as Statutory Auditor of the Company, to hold office from conclusion of this Annual General Meeting till the conclusion of the 50th Annual General Meeting.

M/s. S. S. M & Co, Chartered Accountants, having Firm Registration Number 129198W has given consent to act as Statutory Auditors of the Company confirming that their appointment, if made, would be in accordance with the provision of section 139 and 140 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and Listing Regulation,

Your Directors recommend their appointment as Statutory Auditors of the Company for F.Y. from 2017-18 to 2019-20.

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3) (f) of the Companies Act, 2013.

- 22. INTERNAL FINANCIAL CONTROLS:** The Company has in place adequate internal financial controls with reference to financial statements. The Company has adopted an Internal Financial Control Framework policy and Procedure document in FY 2015-16 to ensure orderly and efficient conduct of the business, accuracy and completeness of the accounting records and timely preparation of financial reports. The policy & procedure framework is supported by the ERP system. The ERP system used by the company developed in-house is consistent with Accounting Standards and Financial Control Requirements.

During the FY 2016-17, Compliance Calendar related to Banking Activities added to the Internal Financial Control Framework for tracking compliances of banking transactions as per terms and conditions sanctioned by various bankers for extending credit facilities. The similar tracking and control system is underway for compliances of various laws as per statutory requirements applicable to the company as a whole. Updation in procedure is taken as and when found necessary.

This is aimed at giving the Audit Committee a reasonable assurance on the reliability of financial reporting and statutory & regulatory compliances, effectiveness and efficiency of the company operations.

- 23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:** There were no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations, during the year under review.
- 24. CHANGE IN THE NATURE OF BUSINESS:** During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31st March, 2017 till the date of this report.
- 25. DIRECTORS' RESPONSIBILITY STATEMENT:** To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134 (5) of the Companies Act, 2013, that:
- a. in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if applicable;
  - b. for the Financial Year ended March 31, 2017, such accounting policies as mentioned in the Notes to the financial statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the Profit and Loss of the Company for that period;
  - c. proper and sufficient care has been taken for the maintenance of adequate accounting

records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. the Annual Financial Statements have been prepared on a going concern basis;
- e. proper internal financial controls are in place and such internal financial controls are adequate and were operating effectively;
- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

26. **RISK MANAGEMENT:** The Company has been addressing various risks impacting the Company and details of the same are provided elsewhere in this Annual Report in Management Discussion and Analysis.
27. **SEXUAL HARASSMENT POLICY:** Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a **Policy on Sexual Harassment** in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The said policy can be accessed on the Company's website at [www.steelcast.net](http://www.steelcast.net).
28. **CHANGE IN TAXATION ACT AND RULES:** The Government of India has enacted GST Act 2017 along with IGST Act 2017, SGST Act 2017 and UTGST Act 2017 and tentative date for implementation informed w.e.f July 1, 2017. Your company management is working for necessary preparation in accounting system accordingly and necessary training sessions are being conducted in-house and in various seminars & workshops conducted by Professional Bodies, CII, State Government Commercial Departments etc. The transition is expected to be smooth.
29. **CHANGE IN FINANCIAL REPORTING STANDARDS:** The Ministry of Corporate Affairs issued "The Companies (Indian Accounting Standards) Rules, 2015 and amendment thereto "The Companies (Indian Accounting Standards) Amendment Rules, 2016 as converged version of International Financial Reporting System (IFRS). Further "General instructions for preparation of Balance Sheet and Statements of Profit and Loss of a Company", for compliance and implementation of said rules are also notified by Govt. As per MCA notification, your company is falling under phase-2 category for reporting under Ind-AS and FY 2017-18 is our reporting year as per Ind AS. For the said reporting system, your company has sought assistance for implementation of the task assigned to a renowned Accounting Firm for smooth transition.
30. **ACKNOWLEDGEMENTS:** Yours Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation extended by the shareholders, customers, suppliers, bankers and other business associates. Your Directors gratefully acknowledge the on-going co-operation and support provided by the Central and State governments and all Regulatory Authorities. Your Directors also place on record their deep sense of appreciation to all employees for their dedicated services rendered at various levels.

For and on behalf of the Board of Directors

Ahmedabad

May 22, 2017

**(Chetan M. Tamboli)**

Chairman & Managing Director

**ANNEXURE- A TO THE BOARD'S REPORT:**

Information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014,

**(A) ENERGY CONSERVATION**

- (i) The step taken or impact on conservation of energy:
- Replacement of rotary gear motor by dead weight system for drainage of discard dust in dust collector.
  - Use of thyristor based panel in core shooter machine for energy conservation for die heating used in shell molding process
- (ii) The step taken by company for utilizing alternate sources of energy:
- The Company evaluated options for utilization of alternate sources of energy during the financial year 2016-17.
- (iii) The capital investment on energy conservation equipments:
- The Company has made capital investments amounting to Rs. 5.69 Lacs during financial year 2016-17 on the energy conservation equipments.

**(B) Technology absorption:****Research and Development (R&D):**

- (i) The efforts made towards technology absorption:
- a) Development of outside inserted nozzle in bottom pour ladle to minimize ladle erosion.
  - b) Development of CaO and MgO base low smoke ladle covering compound to minimize skull and slag formation in ladle.
  - c) Development of Chrome MgO base lining material to increase furnace lining life.
  - d) Development of item specific special probes to detect those defects which are not easily detected with help of conventional probes in Ultrasonic Testing.
  - e) Development of coarser grade chromite sand to minimize sand fusion in heavy section castings.
  - f) Development of Manganese steel casting with suitable alloys to achieve mechanical properties at interior location of heavy section castings.
  - g) Development of suitable heat treatment process to eliminate Hydrogen Induced crack in heavy section castings.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
- The company has in place well developed programme of:
- a) Continuous improvement Plan ( CIP)
  - b) Product Development
  - c) Process Development

d) Materials Development

Benefits derived as a result of the above efforts (e.g. Product development, Cost reduction, Process Development, Import substitution etc.) have resulted in a saving of Rs.77.47 lacs during the year 2016-17.

(iii) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the year)

- a) The details of technology imported : Nil
- b) The Year of import : Not Applicable
- c) Whether technology is fully absorbed : Not Applicable
- d) If not fully absorbed, areas where absorption has not taken place, reason thereof : Not applicable

(iv) The expenditure incurred on Research and Development

- a) Capital : Rs. 21,74,998.00
- b) Recurring : Rs. 1,52,12,702.00
- c) Total : Rs. 1,73,87,700.00
- d) Total R & D expenditure as a percentage of total turnovers: 1.29 %

**(C) Foreign exchange earnings and Outgo-**

Foreign Exchange Earnings : Rs. 697,008,837.00

Foreign Exchange Outgo : Rs. 180,225,132.00

For and on behalf of the Board of Directors

Ahmedabad  
May 22, 2017

**(Chetan M. Tamboli)**  
Chairman & Managing Director

## ANNEXURE- B TO THE BOARD'S REPORT:

### ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Company has formulated Policy on CSR in accordance with Schedule VII of the Companies Act, 2013, which has been uploaded on the Company's website.
2	The Composition of the CSR Committee:	
		Category
	Mr. Chetan M Tamboli	Executive Director
	Mr. Rajendra V Gandhi	Independent Director
	Mrs. Manali C Tamboli	Non-Independent Non-executive Director
	Mr. T Kumar	Executive Director
	Mr. Apurva R Shah	Independent Director
	Mr. Rajesh R Gandhi	Independent Director
	Mr. Rameshchandra V shah	Independent Director
3	Average net profit of the company for last three financial years.	(719.02)
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	NIL

#### 5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year; Rs.74,500

(b) Amount unspent, if any; Nil

(c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered (clause no. of Schedule VII to the Companies act, 2013, as amended)	Projects or programs (1) Local Area or other (2)Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub Heads: (1)Direct Expenditure on projects or programs (2)Overheads	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Donation to Smt. R. D. Gardi Bhavnagar Stree Kelavani Mandal - Trust	Promoting Education	Bhavnagar, Gujarat	10,000	10,000	10,000	Direct
2	Donation for Social welfare	Promoting Sports	Bhavnagar, Gujarat	54,000	54,000	64,000	Direct
3.	Donation for Plantation of trees	Welfare of the Society	Bhavnagar, Gujarat	12,500	12,500	74,500	Direct

**6. Reasons for not spending the two per cent of the average net profit of the last three financial years or any part thereof:** the Company has spent above mentioned amounts towards CSR activities during the year though company is not liable to spend this year on CSR activities as per Section 135 and Companies (Social Responsibility Policy) Rules, 2014.

**7. A responsibility Statement of CSR Committee of the Board of Directors of the Company:** 'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Tipirneni Kumar  
WHOLE TIME DIRECTOR  
STEELCAST LIMITED

(Chetan M Tamboli)  
CHAIRMAN OF CSR COMMITTEE  
STEELCAST LIMITED

**ANNEXURE- C TO THE BOARD'S REPORT:****Form No. AOC – 1**

(Pursuant to clause (h) of sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Not Applicable as Company neither have any Subsidiary Company nor have any Associate Company**

**Form No. AOC-2**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis**

<b>Sr. No</b>	<b>Particulars</b>	<b>Details</b>
(a)	Name(s) of the related party and nature of relationship	All the contracts or arrangements or transactions were at arm's length basis. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of material contracts or arrangement or transactions at arm's length basis**

<b>Sr. No</b>	<b>Particulars</b>	<b>Details</b>
(a)	Name(s) of the related party	There were no material contracts or arrangement or transactions. Transactions with related parties, as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.
(b)	Nature of relationship	
(c)	Nature of contracts/arrangements/ transactions	
(d)	Duration of the contracts / arrangements/transactions	
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(f)	Date(s) of approval by the Board, if any:	
(g)	Amount paid as advances, if any:	

For and on behalf of the Board of Directors

Ahmedabad  
May 22, 2017

**(Chetan M. Tamboli)**  
Chairman & Managing Director

## ANNEXURE- D TO THE BOARD'S REPORT:

### PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

**a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:**

Name of the Managing Directors, Chief Financial Officer and Company Secretary	Ratio to median remuneration of the employees	% increase in remuneration in the financial year	Comparison of the Remuneration of the KMP against the performance of the Company.
Mr. Chetan M Tamboli (Chairman and Managing Director)	1:15.51	9.73%	<b>% Increase from FY 2015-16 to FY 2016-17:</b> Total Income: -1.15 % Profit After Tax: 1672.98% Remuneration of Employees: 9.4%
Mr. Tipirneni Kumar (Whole Time Director)	1:9.43	15.45%	
Ms. N N Ahuja (Company Secretary)	1:01	18.30%	
Mr. Subhash R Sharma (Chief Financial Officer)	1:02.05	NA	The remuneration of the KMP is keeping in view the performance of the Company as aforesaid and trend of remuneration in industry.

The Company does not pay any remuneration to the Non-Executive Directors except sitting fees for attending Board and Committee Meetings.

**b. The percentage increase in the median remuneration of employees in the financial year:** 9.40%

**c. The number of permanent employees on the rolls of Company:** 610

**d. The explanation on the relationship between average increase in remuneration and Company performance:** On an average, employees received an annual increase of 9.4%. The individual increments varied from 5 % to 15 %, based on individual performance. In order to ensure that remuneration reflects Company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

**e. Market Capitalization of the Company & Price Earning Ratio:**

Date	Market Price-Closing (Rs)	EPS in Rs.	P/E ratio	Market capitalization (Rs. In Lacs)	% Change
31.03.2017	76.00	1.16	65.52	15382.40	17.37%
31.03.2016	64.75	0.07	925	13105.40	

**f. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** During the year under review, the average annual increase was around 9.4%. However, during the course of the year, the total increase is approximately 10%, after accounting for promotions and other event based compensation revisions. Increase in the managerial remuneration for the year was 9.4 %.



**g. Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

**Top 10 Salary Holder Employee Details**

Sr. No.	Name of Director	Designation	Salary for FY 16-17	Confirm / Contractual	Qualification	Experience in Steelcast Limited (In Years)	DOJ	Age	Previous Employer	% of Equity share held	Relative of Director or Not If, Yes to Whom
1	Chetan M. Tamboli	Chairman & Managing Director	3,710,278.00	Confirm	MBA (Finance)	33	10/08/1983	57.00	Steelcast Limited	15.13	NA
2	Tipirneni Kumar	Whole Time Director	2,476,140.00	Confirm	M.E. (Foundry)	49	03/06/1988	77.00	Steelcast Limited	0.59	NA
3	Ashutosh C. Shukla	Vice President (Materials & Manufacturing)	2,167,503.00	Confirm	B.E. (MECH)	20	11/05/1997	54.00	Cadmach Machinery Limited (Cadila Group)	NIL	NA
4	Vijay K. Modi	Vice President (Quality Assurance)	2,035,735.00	Confirm	DME	43	12/06/1974	61.00	Northern Alloys Bhavnagar Limited	0.001	NA
5	Prityabata Sinha	Vice President (Marketing)	1,984,095.00	Confirm	B.E. (MET)	1	01/04/2016	59.00	ESCO Corporation USA	NIL	NA
6	Anil C. Gandhi	Executive Director - Technical	1,976,131.00	Confirm	B.E. (MECH)	42	17/04/1975	65.00	Steelcast Limited	0.001	NA
7	Sanjeevkumar D. Gupta	General Manager (Marketing)	1,930,589.00	Confirm	M.B.A.	1	01/04/2016	48.00	Indian Army	NIL	NA
8	Subhash R. Sharma	General Manager (Finance) & Chief Financial Officer	1,595,244*	Confirm	CMA	1	13/07/2016	51.00	C Doctor & Co Pvt Ltd	NIL	NA
9	Rushi C. Tamboli	General Manager (Production)	713,283.00	Confirm	BE,IE	5	24/09/2011	28.00	Steelcast Limited	NIL	Son of Mr. Chetan M. Tamboli & Mrs. Manali C. Tamboli
10	Nilam N. Ahuja	Company Secretary	194,016.00	Confirm	C.S.	2	11/12/2014	37.00	Office of Official Liquidators	NIL	NA
		<b>Total..</b>	<b>17,187,770.00</b>								

\*Annualized

- h.** The key parameters for any variable component of remuneration in case of Managing Director of the Company is linked with the Company performance. In case of other key managerial personnel(s), the same is linked with Company performance and individual performance.
- i.** The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not applicable.
- j. Affirmation:** The Company affirms that the remuneration of the Managing Director and the employees of the Company are as per the remuneration policy of the Company.
- k.** The Statement of particulars of employees under Section 197(12) read with Rule 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 is not provided with as, during the financial year under review, no employee of the Company including Managing Director was in receipt of remuneration in excess of the limits set out in the said rules.

Ahmedabad  
May 22, 2017

For and on behalf of the Board of Directors  
**(Chetan M. Tamboli)**  
Chairman & Managing Director

**ANNEXURE- E TO THE BOARD'S REPORT:**
**EXTRACT OF ANNUAL RETURN**
**as on the financial year ended on 31.03.2016**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT - 9**
**I. REGISTRATION AND OTHER DETAILS:**

i	CIN:	L27310GJ1972PLC002033
ii	Registration Date	11/02/1972
iii	Name of the Company	STEECAST LIMITED
iv	Category / Sub-Category of the Company	Public listed Company having Share Capital
v	Address of the Registered office and contact details	Ruvapari Road, Bhavnagar 364 005. Ph. No.: (91) (278) 2519062 Fax No.: (91) (278) 2420589 E-mail.: info@steelcast.net Website.: www.steelcast.net
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s MCS Share Transfer Agent Ltd. 101, First Floor, Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad 380 009, Gujarat Ph. No.: 079-26581296 E-mail: mcsahmd@gmail.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Steel casting	273	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	NA	NA	NA	NA	NA

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

##### i) Category-wise Share Holding:

Category of Shareholder	No. of Shares held at the beginning of the year [01.04.2016]				No. of Shares held at the end of the year [31.03.2017]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	4,928,840	0	4,928,840	24.35	4,928,840	0	4,928,840	24.35	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	4,339,200	0	4,339,200	21.44	4,339,200	0	4,339,200	21.44	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):</b>	<b>9,268,040</b>	<b>0</b>	<b>9,268,040</b>	<b>45.79</b>	<b>9,268,040</b>	<b>0</b>	<b>9,268,040</b>	<b>45.79</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other....	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>9,268,040</b>	<b>0</b>	<b>9,268,040</b>	<b>45.79</b>	<b>9,268,040</b>	<b>Nil</b>	<b>9,268,040</b>	<b>45.79</b>	<b>0.00</b>
<b>B. Public</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FI	0	400	400	0.005	750	400	1,150	0.005	0.005
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):</b>	<b>0</b>	<b>400</b>	<b>400</b>	<b>0.005</b>	<b>750</b>	<b>400</b>	<b>1,150</b>	<b>0.005</b>	<b>0.00</b>
<b>2. Non Institutions</b>									
<b>a) Bodies Corp.</b>									
i) Indian	17,02,399	2,800	17,05,199	8.42	15,90,290	56,000	16,46,290	8.13	-0.29
ii) Overseas	0	400,000	400,000	1.98	0	400,000	400,000	1.98	0.00
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh for Financial Year 2015-16	2,485,256	456,704	2,941,960	14.54	-	-	-	-	-
ii) Individual shareholders holding nominal share capital upto Rs. 2 lakh for Financial Year 2016-17	-	-	-	-	3,007,902	445,104	3,453,006	17.06	2.52
iii) Individual shareholders Holding nominal share capital in excess of Rs 1 lakh for Financial Year 2015-16	3,975,341	53,200	4,028,541	19.90	-	-	-	-	-
iv) Individual shareholders Holding nominal share capital in excess of Rs 2 lakh for Financial Year 2016-17	-	-	-	-	3,451,062	0	3,451,062	17.05	2.84
<b>c) Others (specify)</b>									
i) NRI	1,235,413	122,800	1,358,213	6.71	1,285,235	118,400	1,403,635	6.93	0.22
ii) HUF	537,247	400	537,647	2.66	616,417	400	616,817	3.04	0.38
<b>Sub-total (B)(2):</b>	<b>9,935,656</b>	<b>1,035,904</b>	<b>10,971,560</b>	<b>54.21</b>	<b>9,950,906</b>	<b>1,019,904</b>	<b>10,970,810</b>	<b>54.21</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>9,935,656</b>	<b>1,036,304</b>	<b>10,971,960</b>	<b>54.21</b>	<b>9,951,656</b>	<b>1,020,304</b>	<b>10,971,960</b>	<b>54.21</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDR &amp; ADR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>19,203,696</b>	<b>1,036,304</b>	<b>20,240,000</b>	<b>100.00</b>	<b>19,219,696</b>	<b>1,020,304</b>	<b>20,240,000</b>	<b>100.00</b>	<b>0.00</b>

## ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [01.04.2016]			Share holding at the end of the year [31.03.2017]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / cumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	
1	Mr. Chetan M Tamboli	3,062,920	15.13	100%	3,062,920	15.13	100.00	0.00
2	M/s. Rushil Industries Ltd	2,376,000	11.74	Nil	2,376,000	11.74	Nil	0.00
3	M/s. Tamboli Investment Pvt Ltd	1,963,200	9.70	Nil	1,963,200	9.70	Nil	0.00
4	Mrs. Manali C Tamboli	1,029,480	5.09	100%	1,029,480	5.09	100.00	0.00
5	Chetan M Tamboli (HUF)	835,320	4.13	Nil	835,320	4.13	Nil	0.00
6	Mrs. Hansa M Tamboli	640	0.003	Nil	1120	0.005	Nil	0.002
7	Mr. Manmohan F Tamboli	480	0.002	Nil	0	.0.00	Nil	-0.002
	<b>TOTAL</b>	<b>9,268,040</b>	<b>45.79</b>	<b>44.16%</b>	<b>9,268,040</b>	<b>45.79</b>	<b>44.16</b>	<b>0.00</b>

## iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year [01.04.2016]		Cumulative Shareholding during the year [01.04.2016 to 31.03.2017]	
		No. of share	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	<b>9,268,040</b>	<b>45.79</b>	<b>9,268,040</b>	<b>45.79</b>
2	Decrease/ Increase in Shareholding during the year	0	0	0	0
3	At the end of the year	<b>9,268,040</b>	<b>45.79</b>	<b>9,268,040</b>	<b>45.79</b>

## iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year [01.04.2016]		Cumulative Shareholding during the year [01.04.2016 to 31.03.2017]	
		No. of share	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Mr. Gautam B Doshi</b>				
	At the beginning of the year	819,568	4.05	819,568	4.05
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0
	At the end of the year			819,568	4.05
2	<b>Mr. Nrupesh C. Shah</b>				
	At the beginning of the year	506,000	2.5	506,000	2.5
	Increase/ Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			506,000	2.5

<b>3</b>	<b>M/s. Kurimoto Limited</b>				
	At the beginning of the year	400,000	1.98	400,000	1.98
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0
	At the end of the year			400,000	1.98
<b>4</b>	<b>Mr. Miten Mehta</b>				
	At the beginning of the year	400,000	1.98	400,000	1.98
	Increase/ Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			400,000	1.98
<b>5</b>	<b>Mr. Rajiv B. Doshi</b>				
	At the beginning of the year	504,164	2.49	504,164	2.49
	Decrease in Shareholding during the year	0	0	-136,033	0.67
	At the end of the year			368,131	1.82
<b>6</b>	<b>Mrs. Kusum B. Doshi</b>				
	At the beginning of the year	295,793	1.46	295,793	1.46
	Decrease in Share holding during the year	0	0	-27,026	0.13
	At the end of the year			268,767	1.33
<b>7</b>	<b>M/s. Neoworth Commercial Pvt. Ltd.</b>				
	At the beginning of the year	228,500	1.13	228,500	1.13
	Increase in Shareholding during the year	0	0	0	0
	At the end of the year			228,500	1.13
<b>8</b>	<b>M/s. Meenakshi Mercantiles Limited</b>				
	At the beginning of the year	183,000	0.90	183,000	0.90
	Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			183,000	0.90
<b>9</b>	<b>Mr. Ranjit Dogre (HUF)</b>				
	At the beginning of the year	165,000	0.81	165,000	0.81
	Decrease in Shareholding during the year	0	0	0	0
	At the end of the year			165,000	0.81
<b>10.</b>	<b>Mr. Chirayush P. Vakil</b>				
	At the beginning of the year	151,281	0.75	151,281	0.75
	Increase in Shareholding during the year	0	0	1,779	0.009
	At the end of the year			153,060	0.76

**v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1</b>	<b>Mr. Chetan M Tamboli (Chairman &amp; Managing Director)</b>				
	At the beginning of the year	3,062,920	15.13	3,062,920	15.13
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0
	At the end of the year	3,062,920	15.13	3,062,920	15.13

2	<b>Mr. T Kumar (Whole Time Director)</b>				
	At the beginning of the year	120,000	0.59	120,000	0.59
	Increase/ Decrease in Shareholding during the year	0	0	0	0
	At the end of the year	120,000	0.59	120,000	0.59
3	<b>Mr. Rajendra V Gandhi (Director)</b>				
	At the beginning of the years	3,684	0.02	3,684	0.02
	Increase/ Decrease in Shareholding during the year	0	0.00	3,684	0.02
	At the end of the year	3,684	0.02	3,684	0.02
4	<b>Mr. Rameshchandra V Shah (Director)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
5	<b>Mr. Apurva R Shah (Director)</b>				
	At the beginning of the year	600	0.003	600	0.003
	Decrease in Shareholding during the year	0	0	-600	0.003
	At the end of the year	0	0.00	0	0.00
6	<b>Mr. Rajesh R Gandhi (Director)</b>				
	At the beginning of the year	0	0	0	0.00
	Increase in Shareholding during the year	0	0	400	0.001
	At the end of the year	0	0	400	0.001
7	<b>Mrs. Manali C Tamboli (Director)</b>				
	At the beginning of the year	1,029,480	5.09	1,029,480	5.09
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0
	At the end of the year	1,029,480	5.09	1,029,480	5.09
8	<b>Ms. Neelam N Ahuja (Company Secretary)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00
9	<b>Mr. Subhash R. Shamra (Chief Financial Officer)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Increase/ Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

**V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	644,751,310.00	80,000,000.00	-	724,751,310.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,488,726.00	-	-	1,488,726.00
<b>Total (i+ii+iii)</b>	<b>646,240,036.00</b>	<b>80,000,000.00</b>	<b>-</b>	<b>726,240,036.00</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	150,000,000.00	200,000,000.00	-	350,000,000.00
Reduction	264,074,188.00	230,000,000.00	-	494,074,188.00
<b>Net Change</b>	<b>(114,074,188.00)</b>	<b>(30,000,000.00)</b>	<b>-</b>	<b>(144,074,188.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	532,165,848.00	50,000,000.00	-	582,165,848.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>532,165,848.00</b>	<b>50,000,000.00</b>	<b>-</b>	<b>582,165,848.00</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No	Particulars of Remuneration	Mr. C. M.Tamboli CMD	Mr. T. Kumar WTD	Total Amount
<b>1</b>	<b>Gross salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,710,278	2,476,140	6,186,418
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0
<b>2</b>	<b>Stock Option</b>	0	0	0
<b>3</b>	<b>Sweat Equity</b>	0	0	0
<b>4</b>	<b>Commission</b>			
	- as % of profit	0	0	0
	- Others, specify...			
<b>5</b>	<b>Others: Contribution to PF</b>	0	0	0
	<b>Total (A)</b>	<b>3,710,278</b>	<b>2,476,140</b>	<b>6,186,418</b>
Ceiling as per the Act		For each, 42 Lacs p.a. or 5 % (Overall 84 Lacs or 10 %) of the net profit calculated as per Section 198 of the Companies Act, 2013, whichever is higher		



**B. Remuneration to other directors:**

1. Independent Directors						
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. R V Gandhi	Mr. R V Shah	Mr. A R Shah	Mr. R R Gandhi	
	- Fee for attending board /committee meetings	75,000	172,500	82,500	142,500	472,500
	-Commission	0	0	0	0	0
	-Others, please specify	0	0	0	0	0
	Total (1)	75,000	172,500	82,500	142,500	472,500
2. Other Non-Executive Directors						
Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mrs. M C Tamboli				
	- Fee for attending board /committee meetings	45,000				45,000
	-Commission					0
	-Others, please specify					0
	Total (2)	45,000				45,000
Total (B)=(1+2)						517,500

**VI. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

<b>Sr. No</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>		<b>Total Amount</b>
		<b>Ms. Nilam Ahuja, Company Secretary</b>	<b>Mr. Subhash Sharma, Chief Financial Officer (Appointed on 24.01.2017)</b>	
<b>1</b>	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	194,016 0 0	1,595,244* 0 0	<b>1,789,260</b> 0 0
<b>2</b>	<b>Stock Option</b>	0	0	<b>0</b>
<b>3</b>	<b>Sweat Equity</b>	0	0	<b>0</b>
<b>4</b>	<b>Commission</b> - as % of profit - Others, specify...	0 0	0 0	<b>0</b> <b>0</b>
<b>5</b>	<b>Others, please specify</b>	0	0	<b>0</b>
	<b>Total</b>	<b>194,016</b>	<b>1,595,244*</b>	<b>1,789,260</b>

**\*Annualized**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	None				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	None				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	None				
Punishment					
Compounding					

For and on behalf of the Board of Directors

Ahmedabad  
May 22, 2017

**(Chetan M. Tamboli)**  
Chairman & Managing Director

**ANNEXURE- F TO THE BOARD'S REPORT:**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

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

To,  
The Members,  
STEELCAST LIMITED  
Bhavnagar.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STEELCAST LIMITED (hereinafter called the company). Secretarial Audit was conducted in accordance with the Guidance Notes issued by the Institute of Company Secretaries of India and 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, minutes, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 Complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and the other records maintained by STEELCAST LIMITED for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – **As informed to us, there were no FDI transaction in the Company during the year under review.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (d) 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 – Company has appointed SEBI registered Category-I Registrar and Share Transfer Agent.

**We further report that there were no actions/events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:**

- (a) The Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee

Stock Purchase Scheme) Guidelines, 1999;

- (b) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities ) Regulations, 2008;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

**(vi) Other Applicable Acts**

As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally, namely;

- (a) Factories Act, 1948
- (b) Payment of Wages Act, 1936, and rules made there under,
- (c) The Minimum Wages Act, 1948, and rules made there under,
- (d) Employees' State Insurance Act, 1948, and rules made there under,
- (e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made there under,
- (f) The Payment of Bonus Act, 1965, and rules made there under,
- (g) Payment of Gratuity Act, 1972, and rules made there under,
- (h) The Water (Prevention and Control Pollution) Act, 1974.
- (i) The Air (Prevention and Control Pollution) Act, 1981,
- (j) Industrial Dispute Act, 1947,

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited.
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.

During the Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. However, there were no any dissenting views.

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

Place: Anand

Date: 28th April, 2017

For D. G. BHIMANI & ASSOCIATES

DINESH G. BHIMANI

Company Secretary

C P No.: 6628

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

**ANNEXURE-A**

To,  
The members,  
STEELCAST LIMITED  
Bhavnagar

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

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

Place: Anand  
Date: 28th April, 2017

For D. G. BHIMANI & ASSOCIATES

DINESH G. BHIMANI  
Company Secretary  
C P No.: 6628

## ANNEXURE- G TO THE BOARD'S REPORT:

### CORPORATE GOVERNANCE REPORT

In terms of Compliance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") on Corporate Governance, your Company is complying with the Listing Regulations. The report for year ended on 31<sup>st</sup> March, 2017 is as follows:

**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :** The Company has been adhering to the principles of Corporate Governance since over three decades by conducting its affairs in a transparent manner with regularity, responsibility and accountability.

The Philosophy of the Company on Corporate Governance lies in its concern to protect interests of various stakeholders, fair dealings with all and active contribution to the Society at large, while enhancing the wealth of shareholders. The processes of Company are directed to achieve compliance with the Code of Corporate Governance. Company's own policies and expectations include ethical conduct, protection of health, safety and environment and commitment to employees.

Your Company has complied with all applicable guidelines & regulations as stipulated by the Securities and Exchange Board of India pertaining to the Corporate Governance.

**2. BOARD OF DIRECTORS :** The Company has a balanced Board, comprising 4 Independent Non-Executive Directors, 1 Non-Independent Non-Executive Director (Woman Director) and 2 Executive Directors including one Managing Director and one Whole Time Director, which is in conformity with the requirement of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). The Chairman of the Board is an Executive Director (Promoter). The Non-Executive Directors including Independent Directors on the Board are experienced, competent and renowned persons in their respective fields. The Board is headed by the Managing Director.

**a. Composition/ Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other companies:**

Sr. No	Name of Directors	Category	Number of Board Meetings attended out of Five meetings held in 2016-17	Whether attended last AGM	Number of Directorships and Committee Membership /Chairmanship (including Steelcast Limited)		
					Directorship *	Committee Membership **	Committee Chairmanship **
1	Mr. Rajendra V Gandhi	Independent	2	No	3	3	1
2	Mr. Apurva R Shah	Independent	2	No	4	6	1
3	Mr. Rameshchandra V Shah	Independent	5	Yes	1	2	1
4	Mr. Rajesh R Gandhi	Independent	4	No	5	5	1
5	Mrs. Manali C Tamboli	Non-Independent Non-Executive (Promoter)	3	Yes	3	-	-
6	Mr. T Kumar	Whole Time Director	4	Yes	1	1	-
7	Mr. Chetan M Tamboli	Managing Director (Promoter)	5	Yes	4	2	1

\* This excludes Directorship held in Private & Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

\*\* Committees include Audit Committee and Stakeholders' Relationship Committee of Public Company.

None of the Directors is a director in more than 20 Companies and more than 10 public limited Companies, in terms of Section 165 of the Companies Act, 2013. Also, none of the Directors is a member of neither more than 10 Committees, nor acts as Chairman of more than 5 Committees across all Companies in which they are Directors, as required under Regulation 26 of the Listing Regulation. The Independent Directors fulfill the requirements stipulated in Regulation 25 (1) of the Listing Regulations.

**b. No. of Board Meetings held during the Financial Year 2016-17 and dates on which held:** The Board has held five meetings during the Financial Year 2016-17 i.e. on :

Sr.No.	Date of Board Meeting	Place
1	May 30, 2016	Ahmedabad
2	August 9, 2016	Bhavnagar
3	October 25, 2016	Bhavnagar
4	January 24, 2017	Bhavnagar
5	March 29, 2017	Bhavnagar

**c. Relationship between Directors:** Mr. Chetan M Tamboli and Mrs. Manali C Tamboli are related as husband and wife respectively. No other Director is related to any other Director on the Board.

**d. No of Securities held by each director** are given in Annexure- F to the Board's Report.

**e. Independent Directors:** The Independent Directors, who are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business. As a part of familiarization programme as required under Listing Regulations, the Directors have been appraised during the Board Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act), Listing Regulations, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information etc.

During the year, a separate meeting of the Independent Directors was held on January 24, 2017, without the presence of Non-Executive Directors / Managing Director / Management to discuss the matter as required/agreed amongst them.

Further familiarization programmes and the terms & conditions of appointment of the Independent Directors as required under the Companies Act, 2013 & Listing Regulations are updated on the Company's website at [www.steelcast.net](http://www.steelcast.net)

**f. Formal annual evaluation:** The Board of Directors, Nomination & Remuneration Committee and Independent Director has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

**g. Function and Procedure of Board:** Board meets regularly to make and review policies. Board's role, functions and responsibility are well defined. All relevant information as required under the Listing Regulation and Companies Act, 2013 as amended from time to time is regularly placed before the Board. Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

**3. AUDIT COMMITTEE:** Your Company has an Audit Committee at the Board level with the powers and role that are in accordance with Listing Regulation and Companies Act, 2013.

**a. Terms of Reference:** The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations. The Committee acts as a link between the Management, the Statutory Auditors, the Internal Auditors, the Cost Auditors, Secretarial Auditors and the Board of Directors. The scope of functioning of the Audit Committee is to review, from time to time, the internal control system & procedures and its adequacy. The Committee reviews accounting policies and financial reporting system & procedures of the Company. It ensures that the financial statements are correct, sufficient and credible and also such other functions as may prescribe from time to time by Regulatory Authorities. The Audit Committee is vested with the necessary

powers to achieve its objectives.

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:** The Audit Committee presently consists of four Non-executive Independent Directors. The Audit Committee meets regularly as stipulated in Regulation 18 of the Listing Regulation. The Executive Directors, Internal Auditors and the Statutory Auditors are permanent invitees to the meetings of the Committee. The Secretarial Auditors and Cost Auditor are also invited to attend the Audit Committee Meetings, as and when required.

The details of composition of the Audit Committee, meetings held during the year and attendance of members are as under:

Sr. No.	Name of Director	Category	Position in the Audit Committee	No. of Meetings attended out of five(5) meetings held during the year 2016-17
1	Mr. Rajendra V Gandhi	Independent Director	Chairman	2
2	Mr. Apurva R Shah	Independent Director	Member	2
3	Mr. Rameshchandra V Shah	Independent Director	Member	5
4	Mr. Rajesh R Gandhi	Independent Director	Member	4

During the financial year 2016-17, five (5) meetings of the Audit Committee were held as per details given below:

Sr.No.	Date of Board Meeting	Place
1	May 30, 2016	Ahmedabad
2	August 9, 2016	Bhavnagar
3	October 25, 2016	Bhavnagar
4	January 24, 2017	Bhavnagar
5	March 29, 2017	Bhavnagar

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

**a. Terms of Reference:** The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, which includes Devising a policy on Board diversity, Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal, determination of qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and also formulating performance evaluation criteria. The Committee also ensures equity, fairness and consistency. The recommendations of the Nomination and Remuneration Committee are considered and approved by the Board, subject to the approval of Members, wherever necessary.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board, which includes performance evaluation criteria for Independent Directors is disclosed on the website of the Company at [www.steelcast.net](http://www.steelcast.net)

**b. Composition, name of Members & Chairman, Meetings held during the year and attendance at meetings:** The Nomination and Remuneration Committee presently consist of four Independent Non-Executive Directors. The Chairman is an Independent Non-Executive Director.



The details of composition of the Nomination and Remuneration Committee, meetings held during the year and attendance of members are as under:

Sr No	Name of Director	Category	Position in the Committee	No. of Meetings attended out of Two (2) meeting held during the year 2015-16
1	Mr. Rameshchandra V Shah	Independent Director	Chairman	2
2	Mr. Rajendra V Gandhi	Independent Director	Member	1
3	Mr. Apurva R Shah	Independent Director	Member	2
4	Mr. Rajesh R Gandhi	Independent Director	Member	2

During the financial year 2016-17, Two (2) meetings of the Nomination and Remuneration Committee were held as per details given below:

Sr.No.	Date of Nomination and Remuneration Committee Meetings	Place
1	May 30, 2016	Ahmedabad
2	January 24, 2017	Bhavnagar

**c. Policy for selection and appointment of Directors and their remuneration:** The Nomination and Remuneration (N&R) Committee has adopted a Policy which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration are as under:

**i. Appointment criteria and qualification:**

i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director in terms of Diversity Policy of the Board and recommend to the Board his / her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for the appointment of KMP (other than Managing / Whole time Director) or Senior Management Personnel. Further, for administrative convenience, the appointment of KMP (other than Managing / Whole time Director) or Senior Management, the Managing Director is authorized to identify and appoint a suitable person for such position. However, if the need be, the Managing Director may consult the Committee / Board for further directions / guidance.

**ii. Remuneration Policy:** The Company has a standard remuneration policy for the Executive and Non Executive Directors, which is periodically reviewed by the Nomination and Remuneration Committee, are as under:

- The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force or as may be decided by the Committee / Board / Shareholders.
- An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Companies Act, 2013 and Listing Regulation, as amended from time to time
- Non-Executive Directors are presently paid a sitting fee of Rs. 15,000/- per Board Meeting, Rs. 15,000/- per Audit Committee Meeting, Rs. 7,500/- per Nomination and Remuneration Committee Meeting, Rs. 7,500/- per Stakeholders Relationship Committee Meeting, and Rs. 7,500/- per Independent Director Meeting attended as fixed by the Board of Directors from time to time.
- The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole Time Director will be determined by the Committee and recommended to the Board for approval. Subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required and shall be in accordance with the provisions of the Act and Rules made thereunder.

- Further, the Managing Director of the Company is authorized to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, and which shall be decided by the Managing Director based on the standard market practice and prevailing HR policies of the Company
- The Board has approved Nomination and Remuneration Policy which has been uploaded on the Company's website.

**d. Details of Remuneration to all the Directors:** The Details of remuneration/sitting fees paid/payable to the Directors for the financial year 2016-17 are as under:

(Amount in INR)

Name of the Director	Salary, Allowance, Perquisites and other benefits	Performance-linked Income/Bonus /Commission Paid or Payable***	Stock Option**	Pension	Sitting Fees Paid
<b>Whole Time Directors</b>					
Mr. Chetan M Tamboli*	3,710,278	-	-	-	-
Mr. Tipirneni Kumar*	2,476,140	-	-	-	-
<b>Non-Executive Directors</b>					
Mr. Rajendra V Gandhi	-	-	-	-	75,000
Mr. Apurva R Shah	-	-	-	-	82,500
Mr. Rameshchandra V Shah	-	-	-	-	172,500
Mr. Rajesh R Gandhi	-	-	-	-	142,500
Mrs. Manali C Tamboli	-	-	-	-	45,000

No Director is related to any other Director on the Board, except Mr. Chetan M Tamboli and Mrs. Manali C Tamboli, who are husband and wife respectively.

\*Service Contract/Notice Period/Severance Fees are as per Agreement entered with Managing Director and Whole Time Director.

\*\*The Company is not having stock option scheme therefore the same is not applicable.

\*\*\*Commission is payable to Managing Director and Whole Time Director only, as per the terms of Contract entered into between the Company and the Managing Director & Whole Time Director.

**e. Pecuniary Relationship with Non-Executive Directors:** None of the Non-executive Directors has any pecuniary relationship or transactions with the Company except as per requirements of Accounting Standard 18 are disclosed in the notes to accounts annexed to the financial statements.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:** The Stakeholders Relationship Committee, amongst the areas, mentioned in Regulation 20 of the Listing Regulations and Section 178 of the Act is ensuring expeditious redressal of shareholders' and investors' complaints like non-receipt of annual report, non-receipt of share certificates upon transfer of shares, dematerialization / rematerialisation, transfer / transmission, split/consolidation of shares etc.

The details of Composition of the Committee are as under:

Sr No	Name of Directors	Category	Position in the Committee
1	Mr. Rameshchandra V Shah	Independent Director	Chairman
2	Mr. Chetan M Tamboli	Executive Director	Member
3	Mr. T Kumar	Executive Director	Member
4	Mr. Rajendra V Gandhi	Independent Director	Member
5	Mr. Apurva R Shah	Independent Director	Member
6	Mr. Rajesh R Gandhi	Independent Director	Member

During the year under review, no meeting of the Stakeholder Relationship Committee was held as there were no material complaints or grievances received.

Mr. Chetan M Tamboli, Chairman and Managing Director, and Mr. Vishal K. Sondagar, Company Secretary (Appointed on 22.05.2017), are the Compliance Officer.

The details of investors' complaints received and resolved during the Financial Year 2016-17 are as under:

No. of investors' complaints received during the Year	No. of investors' complaints Resolved during the year	Investors' complaints pending at the end of the year
1	1	Nil

**6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:** The Corporate Social Responsibility Committee was constituted in accordance with the provisions of the Companies Act, 2013 and rules made there under. Amongst the areas, mentioned under the Companies Act, 2013, is to formulate policy and monitoring activities of Corporate Social Responsibility spending.

The terms of reference and role of the Corporate Social Responsibility Committee are as mentioned in policy formulated in line with schedule VII to the Companies Act, 2013 and Rules made thereunder, same is disclosed on the website of the Company at [www.steelcast.net](http://www.steelcast.net)

The details of composition of the Corporate Social Responsibility Committee meeting held during the year and attendance of members are as under:

Sr. No	Name of the Directors	Category	Position in the Committee	No. of Meetings attended out of One(1) meeting held during the year 2016-17
1	Mr. Chetan M Tamboli	Executive Director	Chairman	1
2	Mr. Rameshchandra V shah	Independent Director	Member	1
3	Mr. Rajendra V Gandhi	Independent Director	Member	-
4	Mrs. Manali C Tamboli	Non-Independent Non-executive Director	Member	-
5	Mr. T Kumar	Executive Director	Member	1
6	Mr. Apurva R Shah	Independent Director	Member	1
7	Mr. Rajesh R Gandhi	Independent Director	Member	1

During the financial year 2016-17, one meeting of the Corporate Social Responsibility Committee was held as per details given below:

Sr. No.	Date of Corporate Social Responsibility Committee Meeting	Place
1	May 30, 2016	Ahmedabad

**7. SUBSIDIARY COMPANIES:** The requirement of formulating a specific policy on dealing with material subsidiaries doesn't arise as the Company has no Subsidiary as on date.

#### 8. GENERAL BODY MEETINGS:

##### a. Location and time where last three Annual General Meetings (AGMs) held:

Financial Year	AGM/EGM	Location	Date	Time
2015-16	AGM	Nilambag Palace Hotel, Bhavnagar, Gujarat	9 <sup>th</sup> August, 2016	1630 Hours
2014-15	AGM	Nilambag Palace Hotel, Bhavnagar, Gujarat	6 <sup>th</sup> August, 2015	1600 Hours
2013-14	AGM	Nilambag Palace Hotel, Bhavnagar, Gujarat	30 <sup>th</sup> July, 2014	1600 Hours

**b. Special Resolutions passed in the previous three AGM:**

Financial Year	AGM held on	Special Resolutions passed
2015-16	9 <sup>th</sup> August, 2016	For increase in remuneration payable to Mr. Chetan M. Tamboli, Chairman & Managing Director
2014-15	6 <sup>th</sup> August, 2015	No Special Resolution was passed.
2013-14	30 <sup>th</sup> July, 2014	For approval of borrowing power of Board of Directors u/s. 180(1) (c) of the Companies Act, 2013.
		For reappointment of Mr. Manmohan F Tamboli as Mentor & Management Advisor.

**c. Passing of Resolution by Postal Ballot:** None of special resolution was passed by way of postal ballot during the financial year ended March 31, 2017. As on date, the Company does not have any proposal to pass any special resolution by way of postal ballot.

**9. DISCLOSURES:**

**a. Related Party Transactions:**

a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in the notes to accounts annexed to the financial statements. All the transactions with related parties were in the ordinary course of business and on arm's length basis. In terms of Regulation 23 of Listing Regulations the Company has started obtaining prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus approval for certain transactions to be entered into with the related parties, during the year. Statement giving details of all related party transactions entered into pursuant to the omnibus approval so granted is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis

Policy on dealing with Related Party Transactions can be viewed in the Company's website at [www.steelcast.net](http://www.steelcast.net)

**b. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities or any matter related to capital markets during the last three years:** No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets in the last three years.

**c. Whistleblower Policy:** The Company has formulated Whistleblower Policy in conformity with the Regulation 22 of the Listing Regulation and Section 177 of the Companies Act, 2013, to provide a mechanism for directors and employees of the company to approach the Ethics Counselor/ Chairman of the Audit Committee of the Company for the purpose of dealing with instance of fraud and mismanagement, if any and also ensure that whistleblowers are protected from retribution, whether within or outside the organization.

No personnel have been denied access to the Audit Committee, if any, during the year.

The Company's Whistleblower Policy is on the Company's website at [www.steelcast.net](http://www.steelcast.net)

**d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Listing Regulation:**

- **Mandatory:** During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations. Further Company has disseminated report on compliance with corporate governance requirements as specified in regulation 17 to 27 and 46(2) on it's website at [www.steelcast.net](http://www.steelcast.net) and also submitted with BSE.

- **Non Mandatory:** The Company has adopted following Non-Mandatory requirements of C & E of the Non-Mandatory requirements as provided in Part E of Schedule II to the Listing Regulations and not adopted A , B & D since they are discretionary requirements.

**e. Commodity Price Risk and Hedging activities:** Company is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The company has not made any hedging activities during the year.

**10. RISK MANAGEMENT:** The management of the Company has identified some of the major areas of concern having inherent risk, viz. Foreign Currency Fluctuation, Client Concentration, Technology Risks, non compliance risk and Credit Control. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved.

**11. GENERAL CODE OF CONDUCT:** The Company has formulated and implemented a General Code of Conduct (copy available on Company's website at [www.steelcast.net](http://www.steelcast.net)) for all its Directors and Senior Management of the Company in compliance with Listing Regulation. All the Board Members and Senior Management of the Company have affirmed compliance with the Said Code of Conduct for the financial year ended March 31, 2017. A declaration by the Chairman & Managing Director affirming compliance with the said Code of Conduct by Board Members and Senior Management is annexed at the end of the Report and forms part of this Report.

**12. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING:** The Company adopted a Code of Fair Disclosures and Conduct for Prevention of Insider Trading duly approved by the Board of Directors of the Company on August 6, 2015, which is made available on the website of the Company at [www.steelcast.net](http://www.steelcast.net). The necessary preventive actions, including Closure of Trading Window around the time of any price sensitive events or information, are taken. All the Designated Persons have given declaration affirming compliance with the said Code for the year ended 31<sup>st</sup> March, 2017.

**13. MD/CEO & CFO CERTIFICATION:** In accordance with the requirements of Regulation 17(8) of Listing Regulation, a certificate from Managing Director and Chief Financial Officer of the Company, on the financial statements of the Company was placed before the Board in the Meeting held on May 22, 2017 and the same is annexed to this report, also forms part of this Annual Report.

**14. REPORT ON CORPORATE GOVERNANCE:** This Corporate Governance Report forms part of the Annual Report. Certificate from the Statutory Auditors confirming compliance with the conditions of Corporate Governance as stipulated in Listing Agreement/Listing Regulation and the same is annexed to this report, also forms part of this Annual Report.

**15. MEANS OF COMMUNICATION:** The Company has a practice to publish Quarterly/Annual results in leading newspapers of the Country, namely, Financial Express (English & Gujarati), Indian Express, now in Economic Times and also to put the same on its website at [www.steelcast.net](http://www.steelcast.net). The aforesaid financial results are also disclosed on ([www.bseindia.com](http://www.bseindia.com)) website of BSE Limited (BSE) where the Company's securities are listed, immediately after these are approved by the Board. Moreover, a direct communication is also made to the shareholders by the Managing Director as and when required. Further, there is separate General Shareholder Information section in this Annual Report and forms part of it.

## 16. GENERAL SHAREHOLDERS INFORMATION:

### a. Information about Annual General Meeting, Financial Year, Book Closure & Dividend Payment Date, Stock Exchanges & Stock Code:

Sr. No	Particulars		Details				
1	Financial Year: From 1 <sup>st</sup> April to 31 <sup>st</sup> March						
2	Annual General Meeting (as indicated in the Notice)		Date	Time	Venue		
			04.07.2017	1600 Hours	Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Vidhyanagar, Bhavnagar, Gujarat 364002		
3	Date of Book Closure (both days inclusive)		From	To	Dividend Payment Date		
			28.06.2017	04.07.2017	17.07.2017		
4	Listing on Stock Exchange (s)	Name of Stock Exchange	Stock Code	ISIN		Listing Fees paid upto	
		BSE Limited, Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	513517	INE124E01020		31 <sup>st</sup> March, 2018	
5	Address for Correspondence	Name of contact person		Address		Telephone	e-mail
		Mr. Vishal Sondagar (Company Secretary)		Steelcast Limited Ruvapari Road, Bhavnagar 364 005		0278-2519062	cs@steelcast.net

### b. Market Price Data and Performance in comparison to broad-based indices viz., BSE Sensex: (As per records of BSE Limited in respective month of the Financial Year 2016-17)

Month	BSE(Rs.)		BSE Sensex	
	High	Low	High	Low
Apr, 2016	79.75	62.60	26064.12	24673.84
May, 2016	86.95	72.50	26725.60	25101.73
Jun, 2016	84.95	66.05	27,020.66	26,395.71
Jul, 2016	82.00	66.70	28,208.62	27,126.90
Aug, 2016	76.00	63.05	28,452.17	27,697.51
Sep, 2016	74.50	69.95	29,045.28	27,827.53
Oct, 2016	75.45	66.05	28,334.55	27,529.97
Nov, 2016	75.50	60.50	27,876.61	25,765.14
Dec, 2016	74.85	60.30	26,747.18	25,807.10
Jan, 2017	80.00	63.00	27,882.46	26,595.45
Feb, 2017	73.00	55.25	28,892.97	28,141.64
Mar, 2017	79.00	55.00	29,648.99	28,832.45

### c. Registrar and Share Transfer Agents:

MCS Share Transfer Agent Limited

101, First Floor, Shatdal Complex, Opp: Bata Show Room, Ahmedabad 380 009.

Ph.No.: 079-26581296, 079-26582878, Email Id: mcsahmd@gmail.com

**d. Share Transfer System:** The Company's shares being in compulsory demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar and Share Transfer Agents. In order to expedite the process, the Board of Directors has delegated the authority to it to approve the share transfer/transmission and accordingly, it approves the transfer/transmission of shares as and when require. The share transfer process is reviewed and noted by the Board/Committee.

**e. Distribution of shareholding as on 31st March, 2017:**

No of equity shares	No of shareholders	% of shareholders	No of shares held	% of shareholding
1 to 500	2,926	71.24	869630	4.30
501 to 1000	417	10.15	339569	1.67
1001 to 2000	288	7.01	439212	2.17
2001 to 3000	131	3.19	337484	1.68
3001 to 4000	78	1.90	286957	1.41
4001 to 5000	49	1.19	229903	1.13
5001 to 10000	100	2.44	745220	3.68
10001 to 50000	72	1.75	1769491	8.75
50001 to 100000	24	0.58	1838456	9.08
100001 & above	22	0.53	13384078	66.13
<b>Total</b>	<b>4,107</b>	<b>100.00</b>	<b>20,240,000</b>	<b>100.00</b>

**Shareholding pattern as on 31st March, 2017:**

Sr. No.	Category of shareholder	Number of Shareholders	Number of shares held	Number of shares held in dematerialized form	% of shareholding	% of shareholders
<b>1.0</b>	<b>Shareholding of Promoter and Promoter Group</b>	<b>6</b>	<b>9,268,040</b>	<b>9,268,040</b>	<b>45.79</b>	<b>0.12</b>
<b>2.0</b>	<b>Public Shareholding</b>					
2.1	Institutions-FII	2	1150	750	0.02	0.04
2.2	Bodies Corporate	138	1,646,290	1,590,290	8.13	3.36
2.3	Individuals	3,643	6,904,068	6,458,964	34.11	88.72
2.4	NRI	192	1,403,635	1,285,235	6.93	4.67
2.5	Foreign Company	1	400,000	-	1.98	0.02
2.6	HUF	124	616,817	616,417	3.04	3.01
<b>Total Public Shareholding</b>		<b>4,101</b>	<b>10,971,960</b>	<b>9,951,656</b>	<b>54.21</b>	<b>99.88</b>
<b>Grand Total (1.0) + (2.0)</b>		<b>4,107</b>	<b>20,240,000</b>	<b>19,219,696</b>	<b>100.00</b>	<b>100.00</b>

**f. Dematerialization of Shares and Liquidity:** The equity shares of the Company are available in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL). The Company's equity shares are traded compulsorily in the dematerialized form. As on date, out of 20,240,000 equity shares of the Company, 19,219,696 equity shares have been dematerialized, representing 94.96% of the total number of shares.

Your company confirms that the promoters' holdings were converted into dematerialized form and the same is in line with the circulars issued by SEBI.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest. This will be necessary and also be advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

**g. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:** As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

**h. Plant Locations:** The Company's plant is only located at Ruvapari Road, Bhavnagar, Gujarat 364005.

**i. Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:** Company is exposed to foreign exchange risk on account of import and export transactions entered into. Also it is a sizable user of various commodities, including base metals, which exposes it to price risk on account of procurement of commodities. The Company has not done any hedging during the year..

**j. Disclosure with respect to demat suspense account/ unclaimed suspense account of shares:** As on date, none of shares transferred into demat suspense account/ unclaimed suspense account, as same is not require at this stage.

Pursuant to Section 124 & 125 of the Companies Act 2013 read with the **Investor Education and Protection Fund Authority (Accounting Audit Transfer and Refund) Rules, 2016** ('the Rules') notified by the Ministry of Corporate Affairs, New Delhi, The Rules, inter alia, provide for transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years, to the Investor Education Protection Fund (IEPF) set up by the Central Government.

Many shareholders did not claim dividend for financial year 2008-09 and consecutive seven financial years. Accordingly, the Company had informed all the shareholders vide public notice first dated on December 19, 2016 in Financial Express, Mumbai Edition, Indian Express, Ahmedabad Edition and Financial Express in Gujarati Edition and second notice published on dated March 04, 2017 in Financial Express, Mumbai Edition, Indian Express, Ahmedabad Edition and Financial Express in Gujarati Edition and also sent twice individual communications to all such shareholders who did not claim dividend for last Seven consecutive years. The MCA vide circular No. 03/2017 Notified 31st May, 2017 as due date for transferring of shares to IEPF Suspense Account.

The General Circular No. 05/2017 dated 16.05.2017 issued by Ministry of Corporate Affairs to transfer the above said shares to IEPF has withdrawn the General Circular No. 03/2017 dated 27.04.2017 referred above till further instructions. Therefore, the process of such transfer by the company also suspended till further instructions.

**k. Discretionary Requirements:**

- The position of the Chairman and Managing Director are not separate.
- The Company does not maintain a separate office for the Non-Executive Chairman as Chairman and Managing Director are the same person.
- The quarterly financial results are published in the newspapers of wide circulation and are not sent to individual shareholders. Further, the financial results are available on the website of the Company and of the Stock Exchange where the shares of the Company are listed, i.e. BSE Ltd.
- The Auditors' Opinion on the Financial Statements is unmodified.
- Internal Auditor reports to the Audit Committee.

**l. Disclosure of the Compliance with Corporate Governance requirement as specified in Listing Regulation:** During the Financial Year under review, SEBI issued new Listing Regulations viz., Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 which is effective from December 1, 2015. As required under the said Regulations, the Company has complied the following requirements:



- a. Adopted **Policy on Preservation of Documents** and **Policy on Materiality of Event/Information**,
- b. Executed fresh Listing Agreements with BSE Limited.

Further the Company affirms that all the requirements applicable under the Listing Agreement (valid upto November 30, 2015) and Listing Regulations (effective from December 1, 2015) are complied with. Company has also disseminated, report on compliance with corporate governance requirements as specified in Listing Agreement (valid upto November 30, 2015) and regulation 17 to 27 and 46(2) of Listing Regulation (effective from December 1, 2015), on it's website at [www.steelcast.net](http://www.steelcast.net), and also submitted with BSE.

**MISSION ON SUSTAINABLE GROWTH:** The Company signed the "CII Code for Ecologically Sustainable Business Growth" under the Mission on Sustainable Growth (MSG) initiative of CII.

For and on behalf of the Board of Directors

Ahmedabad  
May 22, 2017

(Chetan M Tamboli)  
CHAIRMAN & MANAGING DIRECTOR

## DECLARATION OF COMPLIANCE WITH THE GENERAL CODE OF CONDUCT OF THE COMPANY

In the above regard as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I declare as follows:

1. The Company does have a General Code of Conduct approved by its Board of Directors, which is posted on its website [www.steelcast.net](http://www.steelcast.net)
2. All the members of the Board of Directors and all the members of the Senior Management of the Company have individually submitted statements of affirmation of compliance with the said Code of Conduct for the financial year ended 31<sup>st</sup> March, 2017.

(Chetan M Tamboli)

CHAIRMAN & MANAGING DIRECTOR

Place: Ahmedabad

Date: May 22, 2017

## MD/CEO & CFO CERTIFICATION

To  
The Board of Directors,  
STEELCAST LIMITED

We certify that:

- a. We have reviewed financial statements and the cash flow statement of Steelcast Limited for the year ended March 31, 2017 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To the best of our knowledge and belief, no transactions entered into by the Company during the years which are fraudulent, illegal or violative of the Code of Conduct of the Company.
- c. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- d. We have indicated to the auditors and the Audit Committee that there are:
  - (i) no significant changes in internal control over financial reporting during the year;
  - (ii) no significant changes in accounting policies during the year and
  - (iii) no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**(Chetan M Tamboli)**  
CHAIRMAN & MANAGING DIRECTOR

**(Subhash R. Sharma)**  
CHIEF FINANCIAL OFFICER

Place: Ahmedabad  
Date: May 22, 2017

**ANNEXURE- H TO THE BOARD'S REPORT:**

**AUDITORS' CERTIFICATE  
ON CORPORATE GOVERNANCE**

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015)

To,

The members of

**Steelcast Limited**

We have examined the compliance of conditions of Corporate Governance by Steelcast Limited for the year ended on March 31, 2017 as per the relevant provisions of Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For SANGHAVI & COMPANY  
Chartered Accountants  
FRN: 109099W

Place: Ahmedabad  
Date: May 22, 2017

MANOJ GANATRA  
Partner  
Membership No. 043485

## ANNEXURE- I TO THE BOARD'S REPORT:

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

- A. INDUSTRY STRUCTURE AND DEVELOPMENTS:** FY 2016-17 was a year of mixed developments. There were positive indicators and partly fulfillment of expectations of recovery. Demand generated from the domestic mining segment and rose to a level of compensating slow demand from same segment abroad. This indicates a business cycle completion and beginning of recovery in mining sector. Export mining segment still under recovery mode and yet to bounce back. The company closed turnover almost at the same level of last year, marginally lower, but the big change was higher volumes from domestic market. This resulted into higher domestic share in total turnover from 28% to 48% compared to last FY 2015-16. Construction Industry showed almost 50% rise in demands and expecting steady increase in coming year. Export in Railways and transportation witnessed modest rise and looking for good volumes this year. The rise of volumes in construction and railways was also due to new parts developed for the customer in these segments. Certain Sectors are still challenging like Steel & Cement Plants, and Locomotives etc. The company is exploring new potential segments like Indian Railways, Mining, Defense etc. The Foreign currency exchange rates for US Dollars as well as Euro were favorable till Feb 2017 and since then rupee is strong and for our company unfavorable exchange rates are a matter of concern as our imports are quite less.
- B. OPPORTUNITIES & THREATS:**
- I. Opportunities the business environment offers:** The Indian economy has showed clear signs of recovery in FY 2016-17. The Govt of India has centralized focus on ease of doing business. In this endeavor it has done away with various complicacies in business and taking various reforms like the biggest historical tax reform in Indirect Taxation. The GST would be game changer and promises a lot to the Indian economy. It is expected to boost Indian GDP growth by 1.5 – 2 %. The “Make in India” plan along with scheme of entry of Private Sector companies into Defense Sector will give a major boost to the Indian Industry. Our efforts are to reach out to Indian Defense is bringing positive results. Sample and Trial orders have started flowing in from these sectors and expect volumes on completion of successful trials. The Indian mines are under process of market development and would like to see some positive signs of demands raised for product development. The borrowing cost may not see rise this year owing to liquidity availability with bankers due to demonetization. Your company is clearly going to boost its sales in domestic mining and construction market.
- II. Threats :** Your Company may face unfavorable foreign exchange rate fluctuations this year as well as increase in raw material prices thus putting a pressure on margins.
- C. OUTLOOK:** The Indian economy is most promising economy in today's global scenario and may see a growth @ 7% to 8% in FY 2017-18. With ambitious plans by the Government to increase infrastructure by building more highways, Smart Cities, Housing for All, modernizing the Railways, allowing private companies for Defense equipment's like Aircrafts, Choppers, Battle Tanks and Sub-marines production and more auctions of coal mines with participation by private players will bring good growth opportunities for Mining & Construction Equipment Industries, Locomotives and Transportation Industries & Defence Industries and increase demands from these sectors. The Govt of India is targeting increase in employment through development of these industrial segments, indicates a positive development path.
- D. RISKS AND CONCERNS:** Your Company continuously monitors and revisits the risks associated with its business. It has institutionalized the procedure for identifying, minimizing and mitigating risks and the same are reviewed periodically. The Company's Structured Risk Management Process attempts to provide confidence to the stakeholders that the Company's risks are known and well managed. The company management has a Risk Management Team comprising of Functional heads as Champions and accountable for risks associated in their areas. The company has review mechanism of risks at regular

intervals. The management of the Company has identified some of the major areas of concern having inherent risk, viz. Foreign Currency Fluctuation, Client Concentration, Technology Risks and Credit Control. The processes relating to minimizing the above risks have already been put in place at different levels of management. The management of the Company reviews the risk management processes and implementation of risk mitigation plans. The processes are continuously improved.

Risk Management comprises three key components which are as below:

- i Risk identification
- ii Risk assessment and mitigation
- iii Risk monitoring and assurance

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

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

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

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

**F. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:** (Rs. In Lacs)

Sr. No.	Particulars	2016-17	2015-16
1	Sales / income from operations	13,433.97	13,704.24
2	Other Income	37.23	37.12
3	<b>Sub-total</b>	<b>13,471.20</b>	<b>13,741.36</b>
4	Total Expenditure (Before interest)	12,246.16	12,345.46
5	Operating Profit (EBIDTA)	2,537.97	2,627.40
6	Operating Margin %	18.89%	19.17%
7	Profit / (Loss) After Tax	235.63	13.29
8	Return on Capital Employed % (EBIT)	11.25%	11.31%
9	No. of Months Receivables (Receivables / Sales X 12)	3.09	3.18
10	Current Ratio (Current Assets / Current Liabilities)	0.93	0.89
11	Borrowings : Equity Ratio (TL/Equity)	0.58	0.72
12	Production (in MT)	7,008	6,217

**G. DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT:** The human resource philosophy and strategy of your Company have been designed to attract and retain the best talent, creating a workplace environment that keeps employees engaged, motivated and encourages innovation. Your Company has fostered a culture that rewards continuous learning, collaboration and development, making it future ready with respect to the challenges posed by ever- changing market realities. Employees are your Company's most valuable asset and your Company's processes are designed to empower employees and support creative approaches in order to create enduring value. Your Company maintains a cordial relationship with its employees. Its emphasis on safe work practices and productivity improvement is unrelenting. Your Company has more than 610 employees on its rolls as on 31<sup>st</sup> March, 2017.

The Company is conscious of its strong corporate reputation and the positive role it can play by focusing on “EHS” aspects. Towards this, the Company has set very exacting standards in “EHS” management. The Company recognizes the importance of “EHS” aspects in its operations and has established comprehensive indicators to track performance in these areas. The Company values the safety of its employees and constantly raises the bar in ensuring a safe work place.

- H. DISCLOSURE OF ACCOUNTING TREATMENT:** The Company has followed all relevant Accounting Standards while preparing the financial statements.

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

For and on behalf of the Board of Directors

Ahmedabad  
May 22, 2017

(Chetan M Tamboli)  
CHAIRMAN & MANAGING DIRECTOR

## INDEPENDENT AUDITORS' REPORT

To,

The Members of

**STEELCAST LIMITED**

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

We have audited the accompanying financial statements of Steelcast Limited ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2017 and of the profit and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent possible.



2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2017, from being appointed as a director in terms section 164(2) of the Act;
- f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - i. The Company does not have any pending litigations which would impact its financial position except those stated under note no. 28 - Contingent Liabilities;
  - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes (SBNs) during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. In absence of any external evidences, based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management. (refer note no. 34)

**For SANGHAVI & COMPANY**  
**Chartered Accountants**  
**FRN: 109099W**

**MANOJ GANATRA**  
Partner  
**Membership No. 043485**

Ahmedabad  
May 22, 2017

**ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No discrepancies were noticed on such verification.
  - c. The title deeds of immovable properties are held in the name of the Company.
- 2 The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.
- 3 The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
- 5 The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.
- 6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues:
  - a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
  - b. There are no amounts outstanding, which have not been deposited on account of dispute except for the following:

Nature of Payment	Financial Year		Forum where dispute is pending
Income Tax	2005-2006	562,086	The Assistant Commissioner of Income Tax

- 8 The Company has not defaulted in repayment of loans or borrowing to banks. The Company has not obtained any borrowings from any financial institutions or government or by way of debentures.
- 9 Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).
- 10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- 11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.
- 16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For SANGHAVI & COMPANY**  
**Chartered Accountants**  
**FRN: 109099W**

Ahmedabad  
May 22, 2017

**MANOJ GANATRA**  
Partner  
**Membership No. 043485**

**ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Steelcast Limited** ("the Company") as as of 31<sup>st</sup> March, 2017 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls 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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For SANGHAVI & COMPANY**  
**Chartered Accountants**  
**FRN: 109099W**

Ahmedabad  
May 22, 2017

**MANOJ GANATRA**  
Partner  
**Membership No. 043485**

# BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2017

( Amounts in Indian ` )

Particulars	Note No.	31st March 2017		31st March 2016	
<b>EQUITY AND LIABILITIES ::</b>					
<b>Shareholders' Funds</b>					
Share Capital	2	101,666,500		101,666,500	
Reserves and Surplus	3	640,542,419	742,208,919	616,979,020	718,645,520
<b>Non-Current Liabilities</b>					
Long-term Borrowings	4	432,009,066		515,175,715	
Deferred Tax Liabilities		76,372,000		67,360,000	
Long-term Provisions	5	7,971,796	516,352,862	6,740,698	589,276,413
<b>Current Liabilities</b>					
Short-term Borrowings	6	491,935,398		555,314,905	
Trade Payables		149,658,126		80,345,878	
Other Current Liabilities	7	198,122,705		245,915,201	
Short-term Provisions	8	6,707,481	846,423,710	6,365,049	887,941,033
<b>Total Liabilities...</b>			2,104,985,491		2,195,862,966
<b>ASSETS ::</b>					
<b>Non-Current Assets</b>					
<b>Fixed Assets</b>					
	9				
Tangible Assets		1,234,045,712		1,329,299,632	
Intangible Assets		18,738,044		10,274,511	
Capital Work-in-Progress		5,169,148		1,369,809	
		1,257,952,904		1,340,943,952	
Non-current Investments	10	1,146,690		2,290,554	
Long-term Loans and Advances	11	58,247,001		58,003,041	
Other Non-current Assets		-	1,317,346,595	-	1,401,237,547
<b>Current Assets</b>					
Inventories	12	247,496,201		190,161,329	
Trade Receivables	13	346,048,850		363,498,713	
Cash and Bank Balances	14	18,393,456		82,005,055	
Short-term Loans and Advances	15	46,006,079		40,535,651	
Other Current Assets	16	129,694,310	787,638,896	118,424,671	794,625,419
<b>Total Assets...</b>			2,104,985,491		2,195,862,966
			-		-

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our report of even date

**For SANGHAVI & COMPANY**  
Chartered Accountants

**MANOJ GANATRA**  
Partner

Ahmedabad  
22nd May 2017

**For STEELCAST LIMITED**

**NEELAM AHUJA**  
Company Secretary

**SUBHASH SHARMA**  
Chief Financial Officer

**For and on Behalf of the Board of Directors**

**T KUMAR**  
Whole Time Director

**CHETAN M TAMBOLI**  
Chairman & Managing Director  
and Chief Executive Officer

# STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017

(Amounts in Indian `)

Particulars	Note No.	2016-2017	2015-2016
<b>REVENUE :</b>			
Revenue from Operations (Gross)	17	1,418,392,199	1,400,502,765
Less : Excise Duty		(74,995,382)	(30,078,747)
Revenue from Operations (Net)		1,343,396,817	1,370,424,018
Other Income	18	3,723,151	3,712,237
Total Revenue		1,347,119,968	1,374,136,255
<b>EXPENSES :</b>			
Cost of Materials Consumed	19	250,647,421	277,987,503
Purchases of Stock-in-Trade		-	-
Changes in Inventories	20	(48,562,433)	46,016,716
Employee Benefits Expense	21	156,072,355	128,627,712
Finance Costs	22	99,426,157	135,443,076
Depreciation and Amortization		121,660,522	123,149,272
Other Expenses	23	744,798,249	658,764,806
Total Expenses		1,324,042,271	1,369,989,085
<b>Profit before exceptional and extraordinary items and tax</b>		23,077,697	4,147,170
Exceptional Items		-	-
Extraordinary Items	32	9,633,525	-
<b>Profit Before Tax</b>		32,711,222	4,147,170
<b>Tax Expenses</b>			
Current tax		-	-
Earlier Years' Tax		-	-
Deferred Tax		(135,823)	(41,957)
		(9,012,000)	2,860,000
<b>Net Profit for the year</b>		23,563,399	1,329,127
Face Value per Equity Share		5.00	5.00
Earnings per Equity Share			
Basic / Diluted		1.16	0.07

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our report of even date

**For SANGHAVI & COMPANY**  
Chartered Accountants

**MANOJ GANATRA**  
Partner

Ahmedabad  
22nd May 2017

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Chairman & Managing Director  
and Chief Executive Officer

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2017

(` in lacs)

	2016-2017	2015-2016
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit Before Tax And Extraordinary Items	327.11	41.47
<b>Adjustments for -</b>		
Depreciation	1,216.61	1,231.49
Provision of Impairment of Investment	11.42	-
Loss (Profit) on sale of fixed assets	(117.16)	0.57
Dividend	(0.02)	(0.03)
Interest	903.09	1,112.87
	<u>2,013.94</u>	<u>2,344.90</u>
Operating Profit Before Working Capital Changes	2341.05	2,386.37
<b>Adjustments for -</b>		
Trade and Other Receivables		(616.64)
Inventories	(29.53)	869.24
Trade and Other Payables	(573.34)	(61.34)
	<u>(369.23)</u>	<u>191.26</u>
Cash Generated From Operations	233.64	1,971.82
Direct Taxes Paid	40.50	(5.13)
	<u>40.50</u>	<u>(5.13)</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>2,012.32</b>	<b>2,572.50</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(605.45)	(666.06)
Purchase / (Sale) of Investments	-	3.62
Sale of Fixed Assets	335.92	1.38
Interest Received	16.13	24.61
Dividend Received	0.02	0.03
	<u>0.02</u>	<u>0.03</u>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(253.38)</b>	<b>(636.42)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Proceeds from issuance of Share Capital (incl. premium)	-	1,182.33
Proceeds/(Repayment) from Long Term Borrowings (net)	(831.67)	185.41
Proceeds from Short Term Borrowings (net)	(633.80)	(1,790.98)
Interest Paid	(919.22)	(1,137.48)
Dividend Paid	(2.71)	(5.49)
	<u>(2,387.40)</u>	<u>(1,566.21)</u>
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,387.40)</b>	<b>(1,566.21)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(628.46)</b>	<b>369.87</b>
Cash and Cash Equivalents as at beginning of the year	681.82	311.95
Cash and Cash Equivalents as at end of the year	<u>53.36</u>	<u>681.82</u>
<b>Cash and Cash Equivalents</b>		
Cash and Bank Balances	183.93	820.05
Statutory restricted accounts	( 130.57)	(138.23)
	<u>53.36</u>	<u>681.82</u>

As per our report of even date

**For SANGHAVI & COMPANY**  
Chartered Accountants

**MANOJ GANATRA**  
Partner

Ahmedabad  
22nd May 2017

**For STEELCAST LIMITED**

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Chairman & Managing Director  
and Chief Executive Officer



**NOTE NO. 1****SIGNIFICANT ACCOUNTING POLICIES****BASIS OF ACCOUNTING:**

The financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

**USE OF ESTIMATES:**

The preparation of financial statement in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

**FIXED ASSETS:**

Tangible Assets are stated at cost less depreciation, All the costs incurred till the date of the assets ready for use, including installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective assets.

Depreciation is provided on Straight Line Method at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

**INVESTMENTS:**

Long-term investments are stated at cost. Provision, if any, is made for permanent diminution in the value of investments. Current investments are stated at lower of cost or market value. Dividends/Share of Profit are accounted for as and when the right to receive the same is established.

**INVENTORIES:**

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials and stores and spares – on a weighted average method basis;

Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads; cost of finished goods includes excise duty.

**REVENUE RECOGNITION:**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods is recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

**EXCISE AND CUSTOM DUTY:**

Excise Duty in respect of goods manufactured by the company is, according to the method consistently followed by the company, accounted for at the time of removal of goods from the factory for sale. However, excise duty payable on the closing stock of finished goods is provided for in the accounts.

Purchases of goods and fixed assets are accounted for net of excise cenvat credit availed. Custom duty paid on import of materials is dealt with in respective materials accounts.

**RESEARCH & DEVELOPMENT:**

Revenue expenditure on Research & Development is charged against the profit of the year in which it is incurred. Capital expenditure on Research & Development is shown as an addition to Fixed Assets and depreciated on the same basis as other assets.

**FOREIGN CURRENCY TRANSACTIONS:**

Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Differences arising out of foreign exchange rates are dealt with in the profit & loss account. Current assets and current liabilities relating to foreign currency transactions and foreign currency loans remaining unsettled at the end of the year are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit & loss account.

Following the Companies (Accounting Standards) (Second Amendment) Rules, 2011, exchange rate differences, so far as they relate to the acquisition of depreciable assets, have been adjusted to the cost of such assets and are adjusted over the balance life of the assets.

## EMPLOYEE BENEFITS:

### Post-employment benefit plans

- i. Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner. Contribution for Superannuation in respect of certain employees of the company is made in accordance with the scheme with Life Insurance Corporation of India.
- ii. Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur.  
Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

### Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

## BORROWING COSTS:

Net cost of borrowed funds for the projects are capitalized and included in the cost of fixed assets till its completion and other borrowing costs are recognized as expenses in the period in which they are incurred.

## TAXATION:

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws.

Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

## EARNING PER SHARE:

Basic Earning Per Share (EPS) is computed by dividing the net profit for the year attributable to the equity shareholders, by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding at the year-end.

## PROVISION AND CONTINGENCIES:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

## Note No. 2

### 2.1 Share Capital

Particulars	31 <sup>st</sup> MARCH 2016	31 <sup>st</sup> MARCH 2016
<b>Authorised :</b>		
30,000,000(20,000,000) Equity Shares of ` 5 each	150,000,000	150,000,000
	<u>150,000,000</u>	<u>150,000,000</u>
<b>Issued, Subscribed and Paid up :</b>		
20,240,000 (18,216,000) Equity Shares of ` 5 each	101,200,000	101,200,000
Shares Forfeited Account	466,500	466,500
	<u>101,666,500</u>	<u>101,666,500</u>

- a. Of the Total share capital 13,116,000 Equity shares were issued as fully paid up bonus shares
- b. Equity shares issued as fully paid up bonus shares or otherwise than by cash during the preceding five years : **9,108,000**

## 2.2 Share Capital Reconciliation

Particulars	Equity Shares	
	No. of Shares	Amount in `
Shares outstanding at the beginning of the year	20,240,000	101,200,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	20,240,000	101,200,000

## 2.3 Shares held by each shareholder holding more than five per cent shares

Name of Shareholder	31 <sup>st</sup> MARCH 2017		31 <sup>st</sup> MARCH 2016	
	No. of Shares	% of holding	No. of Shares	% of holding
Chetan M Tamboli	3,062,920	15.13	3,062,920	15.13
Manali C Tamboli	1,029,480	5.09	1,029,480	5.09
Tamboli Investments Pvt. Ltd.	1,963,200	9.70	1,963,200	9.70
Rushil Industries Limited	2,376,000	11.74	2,376,000	11.74

## 2.4 Rights, preferences and restrictions attached to shares

Equity Shares: The company has one class of equity shares having a face value of ` 5 each ranking pari passu in all respects including voting rights and entitlement to dividend.

### Note No. 3

#### Reserves and Surplus

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>a. Securities Premium Account</b>		
Balance at the beginning of the year	191,617,600	83,505,000
Received during the year (net of expenses)	0	108,112,600
Balance at the end of the year	191,617,600	191,617,600
<b>b. General Reserve</b>		
Balance at the beginning of the year	579,778,903	579,778,903
Balance at the end of the year	579,778,903	579,778,903
<b>c. Surplus</b>		
Balance at the beginning of the year	(154,417,483)	(155,746,610)
Net Profit for the current year	23,563,399	1,329,127
Balance at the end of the year	(130,854,084)	(154,417,483)
	640,542,419	616,979,020

**Note No. 4**  
**Long Term Borrowings**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>a. Secured</b>		
Term loans from banks (Foreign currency accounts)	0	43,725,000
Term loans from banks (Indian rupee accounts)	94,697,739	192,810,385
Term loans from others (Indian rupee accounts)	287,311,327	198,640,330
	<u>382,009,066</u>	<u>435,175,715</u>
Notes :		
1. Term loans (in indian rupee accounts) are from Bank of India and HDFC Bank against first pari pasu charge on gross block of the fixed assets and second charge on current assets of the Company and further guaranteed by Two of the directors.		
2. Term loans (in foreign currency accounts) are from Standard Chartered Bank against first pari passu charge on gross block of fixed assets and second charge on current assets of the Company and further guaranteed by one of the directors.		
3. Term loans from others are against hypothication of plant & equipment purchased from the interest free finance from one of the customers, Caterpillar India Pvt Limited ( ₹ 175,326,730) and from a finance company against first pari passu charge on specific assets.		
Period of default	N.A.	
Amount	NIL	
<b>b. Unsecured</b>		
Intercompany loan	50,000,000	0
From promoters	0	80,000,000
	<u>50,000,000</u>	<u>80,000,000</u>
Period of default	N.A.	
Amount	NIL	
	<u>432,009,066</u>	<u>515,175,715</u>

**Note No. 5**  
**Long Term Provisions**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Provision for leave encashment	7,971,796	6,740,698
	<u>7,971,796</u>	<u>6,740,698</u>

**Note No. 6**  
**Short Term Borrowings**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>a. Secured</b>		
Working capital finance from banks (Foreign currency accounts)	-	268,038,982
Working capital finance from Banks (Indian rupee accounts)	491,935,398	287,275,923
	<u>491,935,398</u>	<u>555,314,905</u>
1. Working capital finance (indian rupees accounts) from Banks Bank of India, HDFC Bank and Standard Chartered Bank is against first pari passu charge on inventory and book debts and second charge on gross block of fixed assets of the Company and further guaranteed by two of the directors.		
2. Working capital finance (foreign currency accounts) from Standard Chartered Bank and HDFC Bank is against pari passu charge on inventory and book debts and second charge on gross block of fixed assets of the Company and further guaranteed by two of the directors.		
<b>b. Unsecured</b>		
Inter corporate loans	-	-
From others	-	-
	<u>-</u>	<u>-</u>
Period of default	N.A.	
Amount	NIL	
	<u>491,935,398</u>	<u>555,314,905</u>

**Note No. 7**  
**Other Current Liabilities**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Current maturities of long-term debt	148,668,056	209,575,595
Interest accrued but not due on borrowings	-	701,821
Advances from customers	6,844,267	1,301,814
Statutory liabilities	5,822,372	5,095,681
Unclaimed dividends	1,332,910	1,603,599
Other liabilities	35,455,100	27,636,691
	<u>198,122,705</u>	<u>245,915,201</u>

**Note No. 8**  
**Short Term Provisions**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Provision for bonus	5,527,382	4,662,224
Provision for Leave encashment	1,180,099	1,702,825
	<u>6,707,481</u>	<u>6,365,049</u>

### Note No. 9 Fixed Assets

Particulars	Gross Block			Accumulated Depreciation					Net Block	
	As at 1st April 2016	Additions	Deductions	As at 31st March 2017	As at 1st April 2015	Depreciation For the Year	Adjustments	On Deductions	As at 31st March 2017	As at 31st March 2016
<b>Tangible Assets</b>										
Freehold Land	60,891,045	-	-	60,891,045	-	-	-	-	-	60,891,045
Leasehold Land	62,428,806	2,187,656	14,941,747	49,674,715	10,265,449	2,458,542	-	4,988,932	7,735,059	52,163,357
Buildings	415,595,301	495,766	12,618,497	403,472,570	91,100,721	11,948,616	-	1,660,893	101,388,444	324,494,580
Plant & Equipment	1,614,661,751	37,100,822	1,453,377	1,650,309,196	737,717,740	100,383,994	-	1,090,529	837,011,205	876,944,011
Vehicles	15,239,022	3,745,260	4,364,070	14,620,212	10,931,704	1,068,626	-	3,769,597	8,230,733	4,307,318
Furniture & Fixtures	13,697,257	134,740	-	13,831,997	6,341,866	1,056,691	-	-	7,398,557	7,355,391
Office Equipment	22,387,047	1,241,920	150,910	23,478,057	19,243,117	1,367,831	-	142,866	20,468,082	3,143,930
<b>Total (i)....</b>	<b>2,204,900,229</b>	<b>44,906,164</b>	<b>33,528,601</b>	<b>2,216,277,792</b>	<b>875,600,597</b>	<b>118,284,300</b>	-	<b>11,652,817</b>	<b>982,232,080</b>	<b>1,234,045,712</b>
<b>Intangible Asset</b>										
Computer Software	13,451,405	11,839,755	-	25,291,160	3,176,894	3,376,222	-	-	6,553,116	10,274,511
<b>Total (ii)....</b>	<b>2,218,351,634</b>	<b>56,745,919</b>	<b>33,528,601</b>	<b>2,241,568,952</b>	<b>878,777,491</b>	<b>121,660,522</b>	-	<b>11,652,817</b>	<b>988,785,196</b>	<b>1,339,574,143</b>
Capital Work In Progress	1,369,809	5,169,148	1,369,809	5,169,148	-	-	-	-	-	1,369,809
<b>Total (i+ii)....</b>	<b>2,219,721,443</b>	<b>61,915,067</b>	<b>34,898,410</b>	<b>2,246,738,100</b>	<b>878,777,491</b>	<b>121,660,522</b>	-	<b>11,652,817</b>	<b>988,785,196</b>	<b>1,340,943,952</b>
Previous Year	2,153,565,025	117,434,058	51,277,640	2,219,721,443	755,882,131	123,149,272	-	253,912	878,777,491	1,397,682,894

**Note No. 10**  
**Non-current Investments**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>Quoted; at cost :</b>		
<b>a. Investments in Equity Shares :</b>		
4,000 Equity shares of Electrosteel Casting Limited of ₹ 1 each	2,825	2,825
	<u>2,825</u>	<u>2,825</u>
<b>Unquoted; at cost :</b>		
<b>b. Investments in a Partnership firm :</b>		
Capital contribution in Steelcast LLC-USA	2,287,729	2,287,729
	<u>-1,143,864</u>	<u>0</u>
	<u>1,143,865</u>	<u>2,287,729</u>
	<u>1,146,690</u>	<u>2,290,554</u>
Aggregate market value of quoted investments	<u>132,800</u>	<u>76,000</u>

**Note No. 11**  
**Long-term Loans and Advances**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Unsecured (considered good)		
Capital advance	56,707,311	57,394,916
Security deposits	1,518,060	491,500
Loans to staff [including officers of the company : Nil]	21,630	116,625
	<u>58,247,001</u>	<u>58,003,041</u>

**Note No. 12**  
**Inventories**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
(Valued at lower of cost or net realisable value)		
Raw materials	18,495,092	15,332,550
Work in progress	159,714,148	109,143,699
Finished goods	13,706,424	15,714,440
Stores & spares	55,580,537	49,970,640
	<u>247,496,201</u>	<u>190,161,329</u>

**Note No. 13**  
**Trade Receivables**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Unsecured (considered good)		
Over six months	11,359,501	6,863,226
Others	340,574,235	356,635,487
	<u>351,933,736</u>	<u>363,498,713</u>
Less: Provision for Doubtful Debts	<u>-5,884,886</u>	<u>-</u>
	<u>346,048,850</u>	<u>363,498,713</u>
includes :	More than Six Months	Others
Due from a partnership firm in which the Company is a partner	<u>6,434,665</u>	<u>-</u>

**Note No. 14**
**Cash and Bank Balances**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>I. Cash and Cash Equivalents</b>		
<b>a. Balances with Banks :</b>		
Current accounts	5,089,977	66,182,524
Short term deposits	985,943	-
Cheques on hand	-	-
	<u>6,075,920</u>	<u>66,182,524</u>
<b>b. Cash on Hand</b>	<u>246,624</u>	<u>1,999,617</u>
	<u>6,322,544</u>	<u>68,182,141</u>
<b>II. Other Bank Balance</b>		
Dividend accounts	1,333,317	1,604,051
Term deposits with more than 12 months maturity	10,737,595	-
Other term deposits	-	12,218,863
	<u>12,070,912</u>	<u>13,822,914</u>
	<u>18,393,456</u>	<u>82,005,055</u>

(Term deposits of ₹ 117.24 lacs (previous year ₹ 122.19 lacs) are under lien with banks against letter of credits and bank guarantees)

**Note No. 15**
**Short-term Loans and Advance**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
<b>Unsecured (considered good)</b>		
Trade advance to suppliers	16,696,228	17,806,721
(including to companies or firms in which some of the directors are interested : ₹ Nil)		
Loans and advances to staff	3,169,752	1,113,076
(including officers of the company ₹ 2,568,352 (Previous year ₹ 343,295))		
Prepaid expenses	2,285,260	4,003,251
Advance payments of income tax (net of provisions)	8,983,217	13,168,627
Other loans and advances	14,871,622	4,443,976
	<u>46,006,079</u>	<u>40,535,651</u>

**Note No. 16**
**Other Current Assets**

Particulars	31 <sup>st</sup> MARCH 2017	31 <sup>st</sup> MARCH 2016
Input credits receivable	109,823,693	95,363,147
DEPB and duty draw back claim receivable	19,870,617	23,061,524
	<u>129,694,310</u>	<u>118,424,671</u>



**Note No. 17**  
**Revenue from Operations**

Particulars	2016-2017		2015-2016	
<b>Sale of Products</b>				
Export sales	717,549,514		978,925,843	
Domestic sales	<u>662,156,735</u>	1,379,706,249	<u>383,371,936</u>	1,362,297,779
<b>Other Operating Revenue</b>				
Foreign currency fluctuation gain	379,254		10,785,268	
Other Operational Income	<u>38,306,696</u>	38,685,950	<u>27,419,718</u>	38,204,986
		<u>1,418,392,199</u>		<u>1,400,502,765</u>

**Note No. 18**  
**Other Income**

Particulars	2016-2017		2015-2016	
Dividend receipts	2,000		3,200	
Interest receipts	1,612,977		2,460,650	
Insurance claims receipts	25,278		108,919	
Profit on sale of fixed assets (net)	2,082,896		0	
Sundry balances written back	-		1,139,468	
		<u>3,723,151</u>		<u>3,712,237</u>

**Note No. 19**  
**Cost of Materials Consumed**

Particulars	2016-2017		2015-2016	
<b>Raw Materials Consumed</b>				
Opening stock	15,332,550		49,265,300	
Purchase and direct expenses	<u>253,809,963</u>		<u>244,054,753</u>	
	269,142,513		293,320,053	
Closing stock	<u>18,495,092</u>	250,647,421	<u>15,332,550</u>	277,987,503
		<u>250,647,421</u>		<u>277,987,503</u>

**Note No. 20**  
**Changes in Inventories**

Particulars	2016-2017		2015-2016	
<b>Opening Stock</b>				
Finished Goods	15,714,440		48,311,152	
Work in progress	<u>109,143,699</u>	124,858,139	<u>122,563,703</u>	170,874,855
<b>Closing Stock</b>				
Finished Goods	13,706,424		15,714,440	
Work in progress	<u>159,714,148</u>	173,420,572	<u>109,143,699</u>	124,858,139
		<u>(48,562,433)</u>		<u>46,016,716</u>

**Note No. 21**
**Employee Benefit Expenses**

Particulars	2016-2017	2015-2016
Salaries, wages, allowance and bonus	134,750,038	113,791,265
Contribution to employee benefit funds	16,235,207	13,010,519
Staff welfare expenses	5,087,110	1,825,928
	<u>156,072,355</u>	<u>128,627,712</u>
Includes Directors' remuneration	5,391,200	5,249,512

**Note No. 22**
**Finance Costs**

Particulars	2016-2017	2015-2016
<b>Interest</b>		
Working capital finance	41,803,666	49,346,157
Term loans	39,474,659	43,672,417
Others	9,941,804	18,103,955
	<u>91,220,129</u>	<u>111,122,529</u>
Loss on foreign currency borrowings	4,492,341	19,402,582
Other borrowing cost	3,713,687	4,917,965
	<u>99,426,157</u>	<u>135,443,076</u>

**Note No. 23**
**Other Expenses**

Particulars	2016-2017	2015-2016
<b>Manufacturing Expenses</b>		
Power & Fuel	217,146,662	195,346,158
Machinery repairs and maintenance	7,885,445	7,873,121
Stores & Spares	266,664,144	220,425,609
Other expenses	131,220,111	111,393,191
	<u>622,916,362</u>	<u>535,038,079</u>
<b>Selling and Distribution Expenses</b>		
Sales commission	11,684,404	19,288,856
Sales promotion expenses	2,078,649	551,414
Export freight and insurance	26,504,171	34,295,918
Export market development expenses	2,344,935	2,136,471
Other selling expenses	33,919,479	25,062,141
	<u>76,531,638</u>	<u>81,334,800</u>
<b>Administrative and Other Expenses</b>		
Travelling expenses	5,130,539	4,295,781
Rent	981,640	30,000
Rates and taxes	2,403,443	2,830,055
Advertisement expenses	771,798	289,555
Insurance premiums	1,958,316	2,070,205
Building and other repairs	2,162,483	2,852,642
Directors' sitting fees	517,500	607,500
Legal and professional fees	6,706,765	12,184,613
Payments to auditors	391,499	459,500
Bank discount, commission and other charges	3,282,271	3,075,301
Donations	121,261	182,500
Loss on sale of Fixed Assets (net)	-	57,269
Corporate social responsibility expenses	39,343	100,219
Share of loss @50% from a partnership firm	-	361,981
Steelcast LLC, USA		
Prior Period Expenses	1,844,211	-
Provision for impairment of investment	1,143,864	-
Provision for doubtful debts & sundry	7,147,110	2,234,358
balances written off		
General expenses	10,748,206	10,760,448
	<u>45,350,249</u>	<u>42,391,927</u>
	<u>744,798,249</u>	<u>658,764,806</u>

24. No financial statements or other information are received during the year from a partnership firm, Steelcast LLC –USA. As informed to the Auditors by the Management, the firm is closed down and no transactions have been carried out during the year.

As a matter of prudence, the Company has made provision for impairment of ₹ 1,143,864 towards the investment in the said partnership firm and has also provided ₹ 5,884,886 for doubtful debts receivable from the said partnership firm.

25. Balances with sundry debtors, sundry creditors and for advances are subject to confirmations.
26. As the company's business activity, in the opinion of the management, falls within a single primary segment subject to the same risks and returns, the disclosure requirements of Accounting Standard (AS) – 17 "Segment Reporting" are not applicable.
27. In the opinion of the Directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realized in the ordinary course of the business. The provision of all known liabilities is adequate and not in excess of the amount reasonably required.

**28. Contingent Liabilities:**

- In respect of Central Sales Tax in respect of non collection of C forms: ₹ 22,698,254 (₹ 10,922,470)
- Some retrenched employees of the company have preferred an appeal for their reinstatement, liability of which is unascertainable pending decision of the higher court. The company, however, does not expect any liability to arise on this account as the said retrenchment was lawfully made as per the order of the Dy. Commissioner of Labour, Government of Gujarat and Gujarat Industrial Tribunal.
- Disputed Income Tax Liabilities ₹ 592,729 (30,170).
- In respect of land revenue charges: ₹ 1,965,018 (2,129,906)
- In respect of other matters: ₹ 1,702,925 (1,522,925)

29. Deferred tax liabilities of ₹ 9,012,000 (₹ 2,860,000) arising during the year, a major component of which is due to timing difference related to depreciation charged in the accounts and as claimed under the Income Tax Act, is debited to the profit & loss account. Details of the balance of ₹ 76,372,000 (₹ 67,360,000) are as under:

Particulars	₹
Depreciation	84,702,387
Disallowances u/s 43B of the Income Tax Act & Others	(8,330,387)
Total...	76,372,000

30. The management of the Company has, during the year, carried out technological evaluation for identification of impairment of assets, if any, in accordance with the Accounting Standard (AS) – 28. Based on the judgment of the management and as certified by the Directors, no provision for impairment is found to be necessary in respect of any of the assets.

**31. Payments to Auditors:**

Particulars	2016-2017	2015-2016
Audit Fees	250,000	250,000
In other capacity (Including quarterly limited review)	141,499	209,500

32. Extra-ordinary items ₹ 9,633,525 relates to profit on sale of vacant land during the year.

**33. Proposed Dividend:**

The Board of Directors at its meeting held on May 22, 2017 has recommended a dividend of ₹ 0.60 per equity share for the year ended March 31, 2017. The declaration and payment of dividend is subject to the approval of the shareholders in the Annual General Meeting.

Proposed Dividend: ₹ 12,144,000

Corporate Dividend Tax: ₹ 2,472,233

According to the revised AS 4 – 'Contingencies and events occurring after the balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, the Company has not accounted for proposed dividend (including tax) as a liability for the year ended March 31, 2017.

34. Disclosure in respect of Specified Bank Notes (SBN) held and transected during the period 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016.

Particulars	SBNs	Other Denomination Notes	Total
Closing cash on hand as on 8th November, 2016	2,153,500.00	744,095.00	2,897,595.00
Add: Withdrawal from Bank Accounts	-	619,000.00	619,000.00
Add: Receipts from permitted transactions	-	232,736.00	232,736.00
Less: Paid for permitted transactions	-	532,632.00	532,632.00
Less: Amount deposited in Banks	2,153,500.00	-	2,153,500.00
Closing cash on hand as on 30th December, 2016	-	1,063,199.00	1,063,199.00

35. Related Party Disclosures:

a. Associates:

- Steelcast LLC - USA
- Rushil Industries
- Rushil Industries Limited
- Rushil Global Trade Limited
- Dynamic Ship Recyclers Private Limited

b. Key Management Personnel and their Relatives:

- Mr. T Kumar
- Mr. C M Tamboli
- Mr. M F Tamboli \*
- Mrs. M C Tamboli
- Mr. R C Tamboli
- Ms. Neelam Ahuja
- Mr. S R Sharma

\* for part of the year

	Nature of Transactions:	2016-2017	2015-2016
	<b>Key Management Personnel:</b>		
1	Remuneration	5,650,309	5,249,512
2	Professional Fees	900,000	1,700,000
3	Directors Sitting Fees	45,000	75,000
4	Salaries & Allowances	943,436	415,693
5	Interest Paid	1,353,699	7,053,866
6	Loan Received	-	70,651,260
7	Repayment of Loan	18,000,000	52,651,260
	<b>Associates:</b>		
1	Interest Paid	8,079,901	7,370,753
2	Loan received	20,000,000	77,000,000
3	Pattern Making Charges	-	3,550,285
4	Sales of Castings	-	73,812,980
5	Repairing Charges	-	3,476,561
6	Repayment of Loan	212,000,000	80,000,000
7	Provision for Doubtful Debts	5,884,886	-
8	Provision for Impairment of Investments	1,143,864	-

Details of balances outstanding as on 31<sup>st</sup> March 2017:

	Associates	Key Management Personnel
Other Current Liabilities	-	- (171,609)
Long Term Borrowing	50,000,000 (62,000,000)	- (18,000,000)
Trade Receivables	6,434,665 (6,863,226)	-

36. Disclosure as per AS – 15 (Revised) on "Employee Benefit" for the year ended 31<sup>st</sup> March 2017:

	Gratuity Plan ` (2016-17)	Gratuity Plan ` (2015-16)
<b>Change in the defined benefit obligations</b>		
Defined benefit obligations as at 1 <sup>st</sup> April	32,610,286	28,769,081
Service cost	2,605,356	2,188,442
Interest cost	2,608,823	2,301,526
Actuarial loss/(Gain)	6,727,454	2,693,199
Benefits paid	(8,843,827)	(3,340,962)
<b>Defined benefit obligations as at 31<sup>st</sup> March (a)</b>	<b>357,008,092</b>	<b>32,610,286</b>
<b>Change in plan assets</b>		
Fair Value of plan assets as at 1 <sup>st</sup> April	32,174,557	32,786,116
Expected return on plan assets	2,218,647	2,729,404
Contributions by employer	-	-
Actuarial Gain/(loss)	-	-
Benefits paid	(8,843,827)	(3,340,962)
<b>Fair Value of plan assets as at 31<sup>st</sup> March (b)</b>	<b>25,549,378</b>	<b>32,174,558</b>
<b>Present Value of unfunded obligations (a-b)</b>	<b>(10,158,713)</b>	<b>(435,728)</b>
<b>The net amount recognized in the statement of profit and loss for the year ended 31<sup>st</sup> March is as follows:</b>		
Current service cost	2,605,356	2,188,442
Interest cost	2,608,823	2,301,526
Expected return on plan assets	(2,218,647)	(2,729,404)
Net actuarial loss/(gain) recognized	6,727,454	2,692,199
Net amount recognized	9,722,986	4,452,764
Actual Return on Plan Assets		
<b>The principal actuarial assumptions used as at 31<sup>st</sup> March are as follows:</b>		
Discount Rate	8.00%	8.00%
Expected rate of return on plan assets	8.00%	8.00%
Rate of increase in compensation levels	7.00%	7.00%

### 37. ADDITIONAL INFORMATION

(As certified by the Management)

a. Installed Capacity and Actual Production: (in MTs)

	Installed Capacity	Actual Production
Steel Casting (Net of Rejections)	30,000 (30,000)	7,008 (6,217)

Note: Installed capacity is dependent on product mix and specification of castings and therefore, actual production cannot be directly compared with the installed capacity.

b. Raw Material Consumed: (in Rupees)

	2016-2017	2015-2016
Steel Scrap	<b>178,274,482</b>	200,428,733
Ferro Alloys	<b>72,372,939</b>	77,558,770
Total...	<b>250,647,421</b>	277,987,503

c. Sales and Stocks of Finished Goods & Work in Progress:

Description	Opening Stock in `	Sales in `	Closing Stock in `
Finished Goods	<b>15,714,440</b> (48,311,152)	<b>1,379,706,249</b> (1,362,297,779)	<b>13,706,424</b> (15,714,440)
Work in Progress	<b>109,143,699</b> (122,563,703)	- (-)	<b>159,714,148</b> (109,143,699)

d. Value of Consumption of Imported Materials and percentage of each to total consumption:

	Imported		Indigenous	
	`	%	`	%
Raw Materials	<b>30,249,527</b> (48,010,869)	<b>12.07</b> (17.27)	<b>220,397,894</b> (229,976,634)	<b>87.93</b> (82.73)
Stores and Spares	<b>4,093,467</b> (5,978,544)	<b>1.54</b> (2.71)	<b>262,570,677</b> (214,447,065)	<b>98.46</b> (97.29)

e. Value of Imports on CIF basis:

	2016-2017	2015-2016
Raw Materials	<b>28,704,065</b>	41,712,410
Stores & Spares	<b>4,384,426</b>	4,292,824

f. Expenditure in Foreign Currency (Accrual Basis):

	2016-2017	2015-2016
Export Sales Commission	<b>10,414,254</b>	17,920,126
Travelling Expenses	<b>1,819,307</b>	790,566
Membership & Subscription	<b>135,436</b>	20,581
Other Expenses	<b>6,890,577</b>	4,122,320
Import of Capital Goods	<b>2,496,660</b>	-

g. Earnings in Foreign Currency:

	2016-2017	2015-2016
Exports (FOB basis)	<b>697,008,837</b>	944,629,925

38. Figures in the brackets are the figures for the previous year, unless otherwise stated.

39. All the amounts are stated in Indian Rupees, unless otherwise stated.

40. Previous year's figures are regrouped and rearranged, wherever necessary.

**Signatures to Note no. 1 to 40**

As per our report of even date.

**For SANGHAVI & COMPANY**  
**Chartered Accountants**

**For and on Behalf of the Board of Directors**

**MANOJ GANATRA**  
Partner

**NEELAM AHUJA**  
Company Secretary

**T KUMAR**  
Whole Time Director

**CHETAN M TAMBOLI**  
Chairman & Managing Director  
and Chief Executive Officer

**SUBHASH SHARMA**  
Chief Financial Officer

Ahmedabad  
22nd May 2017







**STEELCAST LIMITED**

**CIN: L27310GJ1972PLC002033**

**Registered Office : Ruvapari Road, Bhavnagar, Gujarat 364 005.  
Phone 0278-2519062 www.steelcast.net info@steelcast.net**

Dear Member(s)

Sub: Electronic mode of service of documents.

As a part of Green initiative by the Ministry of Corporate Affairs (MCA), now members can receive various communications and correspondence including Annual Report through electronic mode i.e. e-mail. In this connection, we request the members to support the green initiative by registering their e-mail id's in the below format to receive various communications to be sent by the Company, electronically.

1. Members holding the shares in physical form may send the communication to the Registrar and Share Transfer Agents (RTA) MCS Share Transfer Agent Limited either physically or through e-mail at: (a) mcsahmd@gmail.com (or) (b) cs@steelcast.net
2. Members holding the shares in demat form may furnish the details to the respective Depository Participants.

The E-communication registration form should be signed by the sole/first named Member as per the specimen signature recorded with the RTA. Upon a specific request, even after registering the e-communication, members are entitled to receive such communications in physical form. Thanking You

Yours faithfully

**For STEELCAST LIMITED**

Sd/- Chetan M Tamboli

CHAIRMAN & MANAGING DIRECTOR



**E-COMMUNICATION REGISTRATION FORM**



MCS Share Transfer Agent Limited,  
101, First Floor, Shatdal Complex, Opp: Bata Show Room,  
Ahmedabad 380 009, Gujarat.  
Ph.No.: 079-26581296, 079-26582878,  
Email Id: mcsahmd@gmail.com

Folio No. / DP ID & Client ID .....

Name of the sole / first named Member : .....

Name of joint holder(s) : .....

Registered Address : .....

E Mail ID to be registered : .....

Date:

Signature of the Member:

Note: Members holding shares in demat form are requested to address and send the E-communication registration form to their depository participant (DP). Members are requested to keep DP/RTA/Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.





**STEELCAST LIMITED****Regd. Office :** Ruvapari Road, Bhavnagar, Gujarat, India 364 005.**ATTENDANCE FORM**

Name of Shareholder		
Number of Equity Shares held		
Folio Number		
If Demat Shares	DP ID	
	Client ID	

I hereby record my presence at the 46th Annual General Meeting of the Company at Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Vidhyanagar, Bhavnagar, Gujarat 364002 at 1600 hours on July 04, 2017.

Signature of the attending Member/Proxy	
---	--

**Note: 1.** A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand it over at the entrance duly signed.

**2.** He/She is advised to bring along a copy of the Annual Report to the meeting for reference.

**STEELCAST LIMITED****Registered Office:** Ruvapari Road, Bhavnagar, Gujarat, India 364 005.**FORM NO. MGT-11 - PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name & Address of the Shareholder: (In BLOCK Letters)		
Email ID:		Folio No.:
No. of shares held:		DP ID – Client ID:

I/We, .....being the member (s) of the above named company, hereby appoint:

1.	Name:	
	Address:	
	E-mail ID:	Signature:

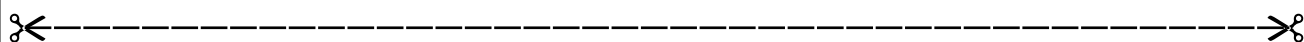
**or failing him/her**

2.	Name:	
	Address:	
	E-mail ID:	Signature:

**or failing him/her**

3.	Name:	
	Address:	
	E-mail ID:	Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 46<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, the 4<sup>th</sup> day of July, 2017 at 1600 hours at Efcee Sarovar Portico – Sarovar Hotels, Iscon Mega City, Opp. Victoria Park, Vidhyanagar, Bhavnagar, Gujarat 364002 and at any adjournment thereof in respect of all resolutions proposed to be passed therein as under:



Resolution. No.	Resolution(s)	Vote	
		For	Against
Ordinary Business			
1	To receive, consider, approve and adopt the Audited Financial Statement of the Company for the financial year ended 31 <sup>st</sup> March, 2017 and the Report of the Board of Directors' and Auditors' thereon.		
2	To declare dividend on equity shares for the year ended 31 <sup>st</sup> March, 2017.		
3	To appoint Mr. T. Kumar, Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.		
4	To appoint M/s. S.S.M. & Co., Chartered Accountants as Statutory Auditors for 3 (Three) financial year subject to ratification at each Annual General Meeting until the conclusion of 50th Annual General Meeting to be held in year 2020 and fix their remuneration for the financial year 2017-18.		
Special Business			
5	To ratify the remuneration paid to M/s. S K Rajani & Co., Cost Auditors (FRN.101113), for the financial year 2017-18		
6	To accept deposits from Members u/s 73 of the Companies Act, 2013		

Signed on this day of ..... 2017      Signature of shareholder: .....

Signature of Proxy holder(s): .....

Signature across  
Revenue Stamp

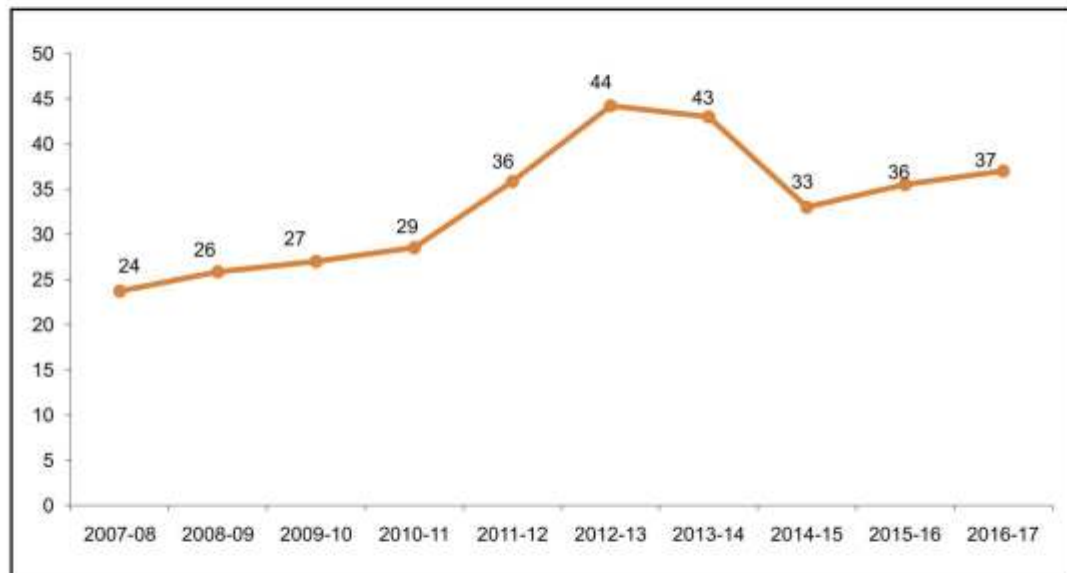
Affix One  
Rupee  
Revenue  
Stamp

- Note:**
1. The Proxy must be lodged at the Regd. Office of the Company mentioned as above, not less than 48 hours before the time of the Annual General Meeting.
  2. The Proxy need not be a Member of the Company.
  3. In case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint-holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
  4. This form of proxy confers authority to demand or join in demanding a poll.
  5. The submission by a Member of this form of proxy will not preclude such Member from attending in person and voting at the Meeting.

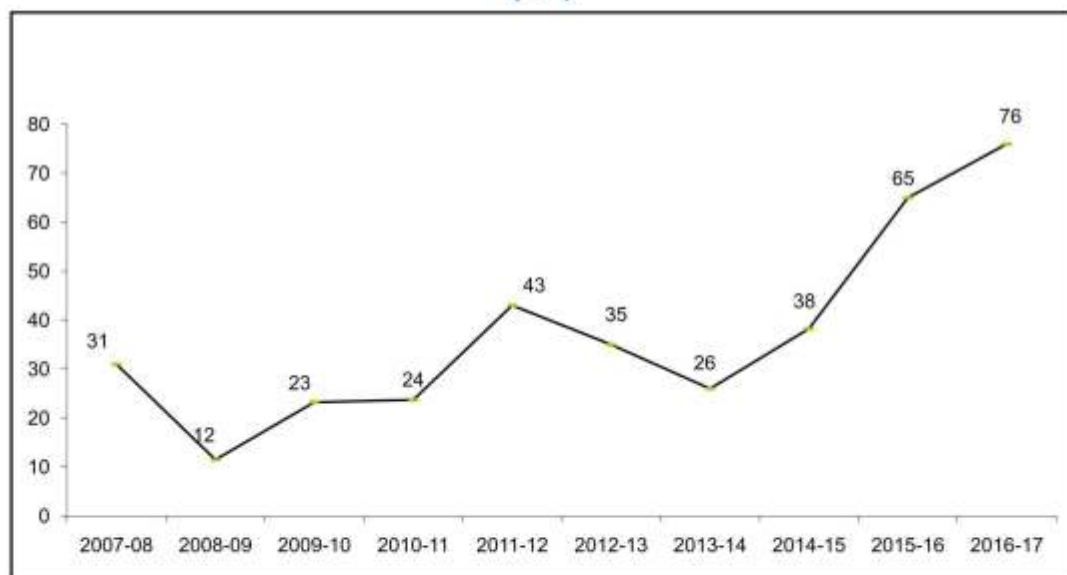
**For Office Use** Proxy No.:

Date of Receipt:

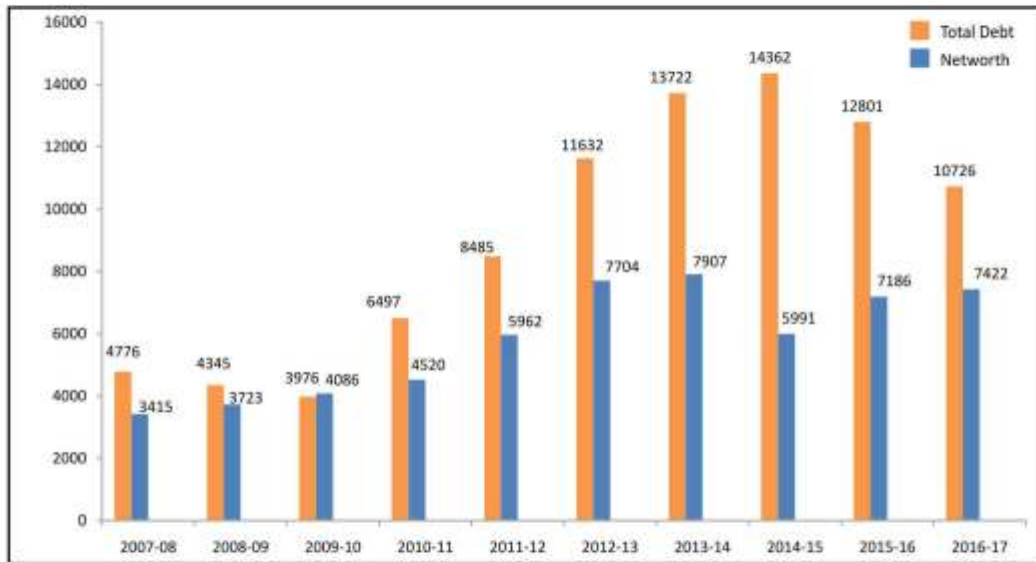
### Book Value Per Share (₹)



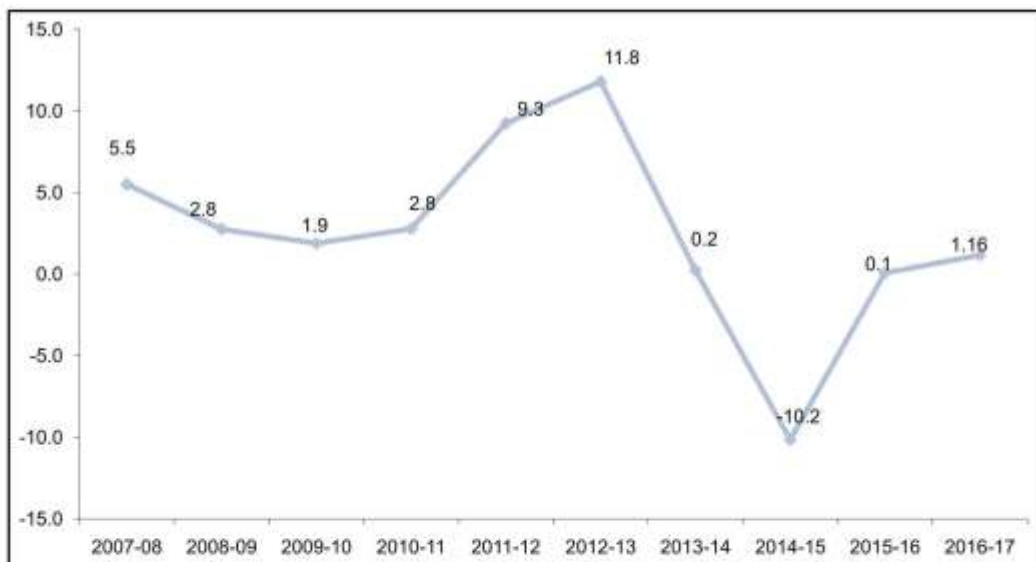
### Market Price per Share (As on close of 31st March of respective year) (₹)



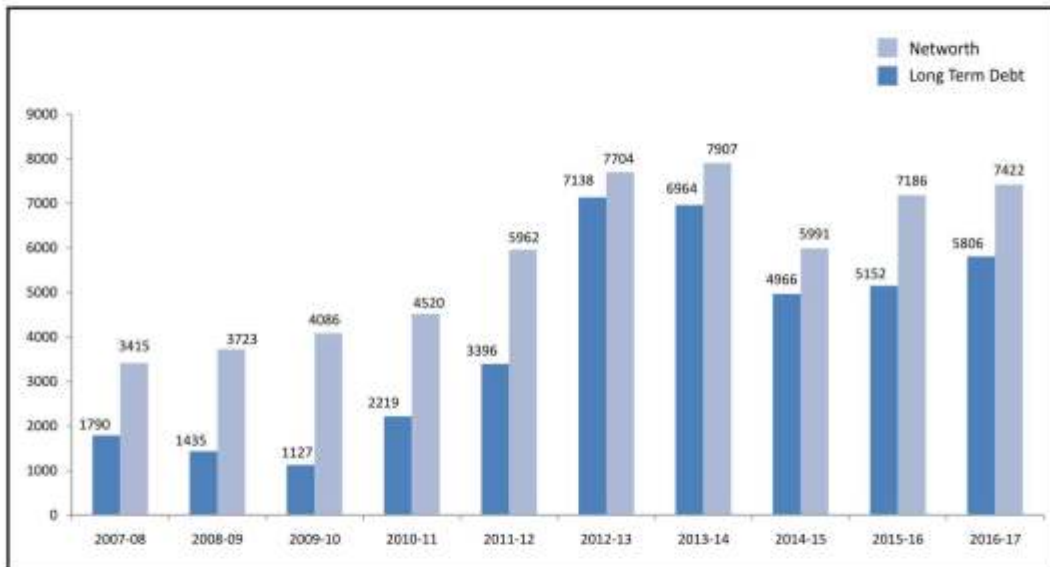
### Total Debt to Net Worth ( ₹ in Lacs)



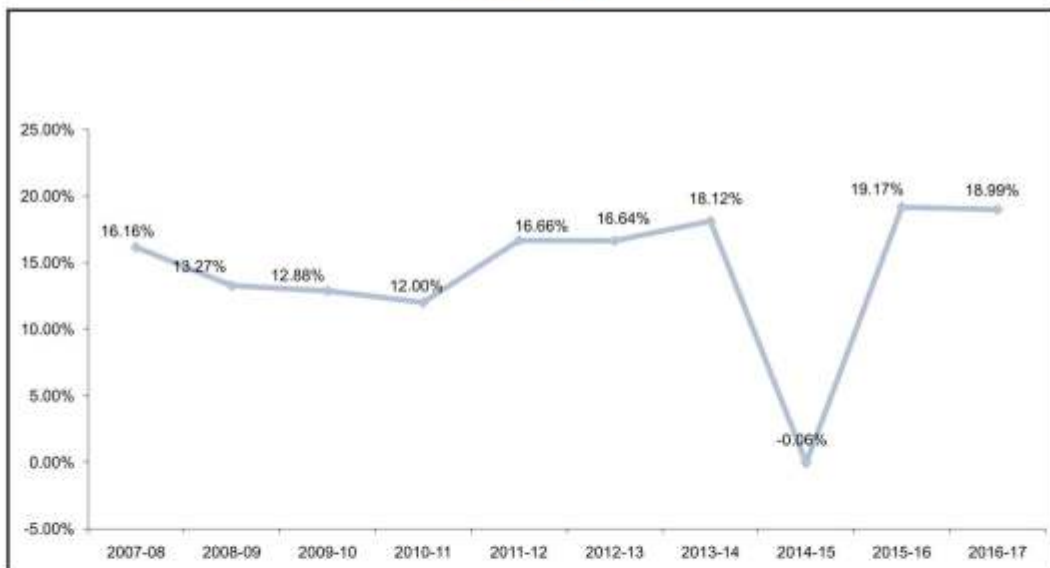
### Earning Per Share ( ₹ )



### Long Term Debt to Net Worth ( ₹ in Lacs)



### EBIDTA



To,



If undelivered, please return to :  
**STEELCAST LIMITED**  
Ruvapari Road, Bhavnagar - 364 005,  
Gujarat, INDIA.