



NOTICE

Notice is hereby given that 48th Annual General Meeting of the Synergy Steels Limited will be held on Monday on 29th Nov, 2021 at 02.00 P.M at the registered office of the company 1/1, Kirti Nagar, Industrial Area, New Delhi-110015, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st, March, 2021 and profit and loss account for the year ended on that date together with the Auditors' Report and Directors' Report thereon.
2. To Retire Mr. Anubhav Kathuria (DIN: 01198916), who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appoint of Statutory Auditors M/s SBD & CO., Chartered Accountants, New Delhi (FRN No. 024005N) as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Next Annual General Meeting and to fix their remuneration.

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

"RESOLVED THAT Pursuant to the provisions of Section 139,142 and other applicable provisions, if any of the Companies Act 2013 read with Companies (Audit and Auditors) Rules 2014 and other applicable Rules , if any framed thereunder , as amended from time to time, pursuant to the Recommendation of the Audit Committee , the Board of Directors of the company and pursuant to the resolution passed by the members at the AGM held on 28th September, 2017 the appointment of M/s SBD & CO., Chartered Accountants, New Delhi (FRN No. 024005N), as the statutory auditor of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Next Annual General Meeting of the Company be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them as may be determined by the audit committee in consultation with the Auditors."

SPECIAL BUSINESS:

4. To Ratify the Remuneration payable to M/s ABP & CO., Cost Auditors of the Company for the Financial Year ending on March 31, 2022

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

Synergy Steels Limited

Office 1/1, Kirti Nagar Main Road,
New Delhi-110015, India
tel +91 11 40500500
fax +91 11 41428521
email ssl@synergysteels.com
contact@synergysteels.com

Works 2, Matsya Industrial Area
Alwar (Rajasthan) - 301031
India
tel +91 144 3201101 | 3201101
+91 144 2881450 | 2881717
fax +91 144 2881845
email plant@synergysteels.com
contact@synergysteels.com

www.synergysteels.com
CIN: U27107DL1973PLC210670

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) the remuneration of Rs.50,000/- (Rupees Fifty Thousand only) per annum plus GST and out of pocket Expenses as recommended by Audit Committee and approved by the Board, payable to M/s. ABP & CO., Cost Accountants, New Delhi (Firm Regn. No. 00403), who have been appointed by the Board of Directors of the Company as Cost Auditors to conduct an audit of cost accounting records of the Company as prescribed under Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the financial year ending on March 31, 2022, be and is hereby ratified and confirmed.

5: To Approve the Appointment of Ms. Arundhati Kar as an Woman Cum Independent Director of the Company

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 197 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the approval of the Members of the Company be and are hereby accorded to the appointment of Ms. Arundhati Kar (DIN:07066282) as an ‘Woman Cum Independent Director’ (Non-Executive) for a period of Five consecutive years with effect from 29th Nov,2021 to 28th Nov,2026, as recommend/ approved by the Nomination & Remuneration Committee in its meeting, including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Arundhati Kar be paid such fees as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed by the Company from time to time.

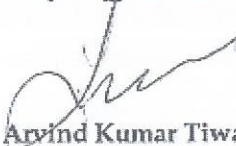
RESOLVED FURTHER THAT Subject to the provision of Section 149 , and schedule IV of Companies Act, 2013 or Rule made thereunder, Ms. Arundhanti Kar be an is hereby appointed on such terms & conditions as may be determined by the Board .

RESOLVED FURTHER THAT Any Director be and are hereby authorized severally and jointly to do all such acts, deeds and things as may be considered necessary and incidental ,including in order to give effect to the above said resolution.”

Date: 01.11.2021

Place: New Delhi

By order of the Board
For Synergy Steels Limited



Arvind Kumar Tiwari
Company Secretary
Membership No.: F6421

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. A PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
2. Proxy form shall be in the format as attached in Annexure I.
3. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of board resolution authorizing the representative to attend and vote in the Annual general meeting.
4. Members/proxies attending the meeting are requested to bring their copy of attendance Slip duly filed and signed by the person attending the meeting and also sing the attendance Sheet/register. Attendance slip is attached in Annexure II
5. Queries proposed to be raised at the Annual General Meeting, may be sent to the Company at its registered office or may be Communicate to Mr. Arvind Kumar Tiwari, Company Secretary of the Company, (E-Mail: tiwari.arvind@synergysteels.com) least seven days prior to the date of Meeting to enable the management to compile the relevant information to reply the same in the meeting.
6. A route map providing directions to reach the venue of the 48th AGM is provided in the Notice.
7. Any member, who desirous to propose any resolution may sent a prior Notice to the Company at least 14 days before the Annual General Meeting at the registered office of the company.
8. All the Documents referred to in the accompanying notice are open for inspection by the members at the Registered office of the Company during working days between 12:00 Noon to 3:00 P.M. (barring Sunday and Public Holidays), up to the date of AGM.
9. All the Statutory Registers maintained under Companies Act, 2013 will be available for inspection by the members at the AGM.
10. The Company is conscious of promoting e-governance and green and sustainable environment. Members are requested to update their email address with their Depository Participants to enable the company to send the future correspondences / communication via e-mail.

11. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed/unpaid dividends, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.
12. Hard copy of the notice along with the copies of the Annual Report 2021, are being sent by the permitted mode to those members who have not registered their email addresses and those who have requested for the same
13. Voting shall be conducted by Show of Hands Process at the meeting unless Poll is demanded by requisite member and a Proxy shall have right to vote only in Poll process.
14. Any member who wishes to update or change his information in the records maintained by the company may send his particulars of information in the **format attached in Annexure III.**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

INFORMATION PURSUANT TO SS-2

Item No. 2

Profile and other details of Director seeking Re-appointment

MR. ANUBHAV KATHURIA

Mr. Anubhav Kathuria is An MBA from S.P Jain & Institute aged 35 has over 15 years of experience in Managing Biotech & Medicare Business, Steels and having very rich experience with the company and understand corporate day to day administrative affairs very deeply, further , he has operational oversight for sales & Marketing, sourcing and manpower for the company. He has diverse business experience running steel business.

Except Mr. Subhash Chander kathuria none of the Directors, Key Managerial Personnel of the Company, and/or their relatives are concerned or interested, financially or otherwise in these proposed Resolutions.

Item No. 4

Ratification of Remuneration of Cost Auditor for the F.Y21-22

In terms of the provision of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 it is required to appoint the Cost Auditor to conduct the audit of the cost records of the Company. The remuneration of Cost Auditor is subject to the approval of Members of the Company.

M/s. ABP & CO., Cost Accountants, Firm Registration No. 00403, has been appointed as Cost Auditor by the Board on the recommendation of the Audit Committee at their respective meetings held on the 20th Sep, 2021, to conduct the audit of the cost records of the Company for the financial year ended on the 31st March, 2022 at the remuneration amounting Rs. 50,000/- plus GST and out of pocket expenses.

In compliance with the provisions of said Section the remuneration of the Cost Auditor for the financial year 2021-2022 is now being placed before the Members at this AGM for their ratification/confirmation and approval, respectively.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives are concerned or interested, financially or otherwise in these proposed Resolutions.

Item No. 5

Appointment of Ms. Arundhati Kar as a Woman Cum Independent Director

The Board recommends and refer the resolution to the shareholders in relation to appointment of Ms. Arundhati Kar as a Woman Cum Independent Director, pursuant to Section 149, 152 or rules made thereunder, read with schedule IV of the Companies Act, 2013 (Including any statutory modification thereof for the time being in force). The resolution is placed for approval/confirmation from the shareholders.

A brief note about Ms. Arundhati Kar is as under:

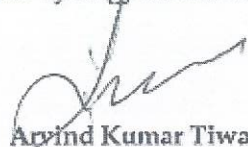
Date of Birth: 01st March, 1953

Qualification: M.A from Jadavpur University

Experience: Ms. Arundhanti Kar joined Indian Overseas Bank as Probationary officer, and retired as Deputy General Manager on 01.05.2013. She has vast Knowledge in banking operation. She worked as branch head almost for 15 years also worked as in charge of inspection Dept. North India. She was also as guest faculty for training centre and also nominated by the bank in the interview panel on several occasions for recruitment and promotion of different cadres.

- A) Ms. Arundhati kar is not disqualified under Section 164 of the Companies Act, 2013 or any other act and is neither disqualified by the court nor convicted in any moral turpitude.
- B) Consent in the Form DIR-2 has been duly received from Ms. Arundhati kar.
- C) Mr. Anubhav Kathuria (Director), Mr. Subhash Chander Kathuria (Managing Director), Mr. Yugal Kishor Garg (CFO) and Mr. Arvind Kumar Tiwari (Company Secretary) are the Key Managerial Personnel of the Company, None of the KMP and Directors of the Company is interested in the above resolution.

By order of the Board
For Synergy Steels Limited



Arvind Kumar Tiwari
Company Secretary
Membership No.: F6421

Synergy Steels Limited

CIN: U27107DL1973PLC210670

Regd. Off.: 1/1, Kirti Nagar, Industrial Area, New Delhi-110015

Tel: 11-40500500; E-Mail: tiwari.arvind@synergysteels .com

Web Site: www.Synergsteels.com

Annexure I

Proxy form

MGT-11

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

Name of the Member(s):

Registered address:

E-Mail ID:

Folio No./Client ID :

DP ID:

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

1. Name:E-mail

.....

Address:.....

.....Signature

..... or failing him

2. Name:E-mail

.....

Address:.....

.....Signature

..... or failing him

1. Name:E-mail

.....

Address:.....

.....Signature

.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 48th Annual
general meeting/ of the company, to be held on Monday at 29th Nov, 2021 At 2:00 p.m. at 1/1,
Kirti Nagar, Industrial Area, New Delhi-110015 and at any adjournment thereof in respect of
such resolutions as are indicated below:

S. No.	Resolution	No. of Share held by me	I assent to the resolution	I dissent to the resolution
1.	To receive, consider and adopt the Audited Balance sheet as on 31 st , March, 2021 and profit and loss account for the year ended on that date together with the Auditors' report and Directors' Report thereon.			
2.	To retire Mr. Anubhav Kathuria (DIN: 01198916), who retires by rotation and being eligible offers himself for re-appointment.			
3.	To ratify the appoint of Statutory Auditors M/s SBD & CO., Chartered Accountants, New Delhi (FRN No. 024005N) as Statutory Auditors of the company			
4	To Ratify the Remuneration payable to M/s ABP & CO., Cost Auditors of the Company for the Financial Year ending on March 31, 2021			
5	To Approve the Appointment of Ms. Arundhati Kar as an Woman Cum Independent Director of the Company			

Signed this day of2021

Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Synergy Steels Limited

CIN: U27107DL1973PLC210670

Regd. Off.: 1/1, Kirti Nagar, Industrial Area, New Delhi-110015

Tel: 11-40500500; E-Mail: tiwari.arvind@synergysteels .com

Web Site: [www. Synergsteels.com](http://www.Synergsteels.com)

ATTENDANCE SLIP

(Please fill in the Attendance Slip and hand it over at the entrance of the meeting hall)

Folio No. / DP ID / Client ID #	
No. of Equity Shares held	

I hereby record my presence at the 48th Annual General Meeting of the Company being held at 1/1, Kirti Nagar, Industrial Area, New Delhi-110015 on Monday at 29th Nov , 2021 at 02:00 P.M.

Name of the Shareholder (in block letters)	
Name of Proxy/ Authorised Representative attending* (in block letters)	

Signature of the attending Member/Proxy/ Authorised Representative*

*Strike out whichever is not applicable #Applicable for shareholders holding shares in dematerialised form.

Note: 1. A member/proxy/ authorised representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.

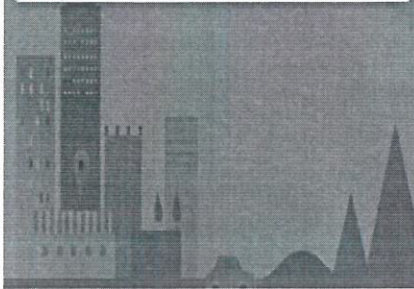
1. If you intend to appoint a Proxy, please complete, stamp, sign and deposit the Proxy Form at the Company's Registered Office at least 48 hours before the meeting.

Shareholders/Proxy or representative of Shareholders are requested to produce the above attendance slip, duly signed in accordance with their specimen signatures registered with the Bank, along with the entry pass, for admission to the venue. Shareholders / Proxy holders / Authorised Representatives may note that the admission to the meeting will be subject to verification / checks, as may be deemed necessary and they are advised to carry valid proof of identity viz., Voters ID Card / Employer Identity Card / Pan Card / Passport / Driving license etc.

ROAD MAP

☰ Synergy Steels Ltd, 1/1, Kirti Nagar 🔍 ✕

Back to directions



Synergy Steels Ltd

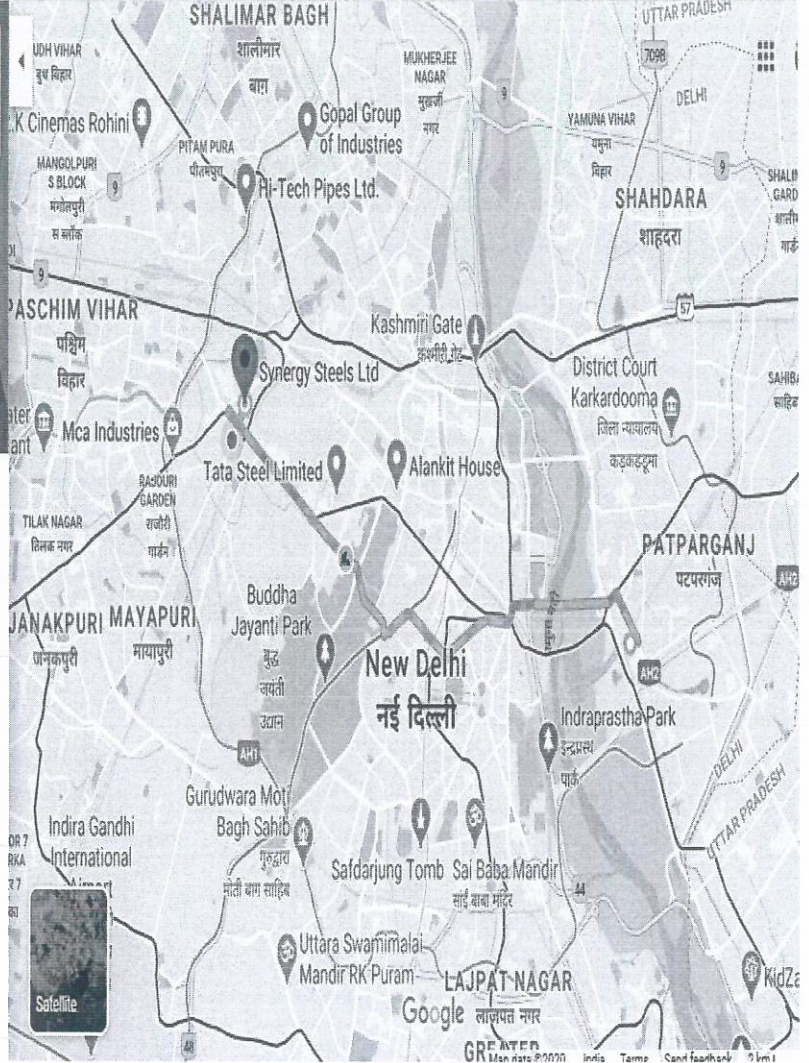
5.0 ★★★★★ (3)

Iron & Steel Industry

📍 Add stop 📌 Save 🗺️ Nearby 📱 Send to your phone ➦ Share

Verify info with this place

Hours or services may differ due to COVID-19



The map displays the location of Synergy Steels Ltd in Kirti Nagar, New Delhi. Key landmarks and areas shown include Shalimar Bagh, Mayapuri, Patparganj, and the city center. Other notable locations marked on the map are Gopal Group of Industries, Hi-Tech Pipes Ltd., Tata Steel Limited, Alankit House, Buddha Jayanti Park, Gurudwara Moti Bagh Sahib, Safdarjung Tomb, Sai Baba Mandir, and Indraprastha Park. The map also shows major roads and the proximity to the city center (New Delhi / नई दिल्ली).



DIRECTORS' REPORT

Dear Members,
Synergy Steels Limited

Your Board of Directors are pleased to present 48th Annual Report of the company and Brief on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021 along with the annexures thereto.

FINANCIAL RESULTS

The Company's financial performance is given hereunder.

(Rs. in Lacs)

Particulars	Financial Year Ended 31.03.2021	Financial Year ended 31.03.2020
Sales & other income	128583.18	124703.42
Financial Cost	1451.06	1362.9
Depreciation	1145.04	1036.06
Profit before tax	3679.11	3572.73
Less: Provision for (Current Tax)	1284.08	1111.50
(Deferred)	58.80	159.28
Profit after tax	2343.06	2300.33
Appropriations:		
EPS Basic	17.71	17.39
Diluted	17.71	17.39

REVIEW OF OPERATIONS

The Gross Revenue from the Operations of the Company during the Financial Year ended 31st March, 2021 amounted to Rs.12,858,318,147 as compared to Rs. 12,470,342,263 during the previous year ended 31st March, 2020. The Turnover of the Company has increased By 3%.

Synergy Steels Limited

Regd. Office 1/1, Kirti Nagar, Industrial Area,
New Delhi-110015, India
+91 11 40500500
fax +91 11 41428521
email ssl@synergysteels.com
contact@synergysteels.com

Works Plot No.: 2 & 5,
Matsya Industrial Area
Alwar (Rajasthan) - 301030
tel +91 144 2881202
fax +91 144 2881845
email plant@synergysteels.com
contact@synergysteels.com

www.synergysteels.com
CIN: U27107DL1973PLC210670

DIVIDEND

The Company has future plans for expansion & Growth and the company will require huge amount of fund, hence the company retain the earning of the company and planning to deploy those internally generated funds for company's expansion & Growth.

RESERVES

Board did not create any special reserve during the year but transfer the amount of Profit & Loss Account to the Reserve & Surplus.

SHARE CAPITAL

Authorised share capital of the company is Rs. 13,80,00,000 which consist 1,38,00,000 Equity Share of Rs. 10 (Rupees ten) each and 20000 (Twenty Thousands) 9.5% Preference Shares of Rs. 100 (Rupees Hundred) each. Paid of capital of the company is Rs. 132,273,010 which consist 1,32,27,301 Equity shares of Rs. 10 each.

A. Issue of equity shares with differential rights

The company has not issued any Equity Shares with Differential voting rights during the financial year 2020-2021.

B. Issue of sweat equity shares:

The company has not issued any Sweat Equity Shares during the financial year 2020-21.

C. Issue of employee stock options:

The company has not issued any Employee stock options during the financial year 2020-21.

D. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:

The company has not bought Back any shares during the Financial Year 2020-21.

E. Issue of Shares on Private Placement Basis:

The company has not issued and as a Private Placement basis during the Financial Year 2020-21

F. Issue/redemption of Preference Shares

The company neither issue nor redeem its any preference share during the financial year.

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form No. MGT – 9 (Attached as **Annexure-1**) shall form part of the Board's report.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the Financial Year of your Company to which the financial statements relate and the date of this report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has robust systems for internal audit and corporate risk assessment and mitigation. The Company has in place adequate internal financial controls with reference to financial statements and no material reportable weakness was observed in the system. Further, the Company has in place adequate internal financial controls commensurate with the size and nature of its operations. Your Company's control system and procedures are regularly reviewed for relevance and effectiveness and changed as per the need of business environment.

The Company has appointed M/s Raghu Nath Rai & Co., Chartered Accountants, as the Internal Auditor of the Company in terms of section 138 of the Companies Act, 2013 and rules made thereunder. Internal Audit Report does not contain any qualification and is self-explanatory.

PUBLIC DEPOSITS

The Company has neither accepted nor renewed any deposits during the financial year 2020-21.

AUDITORS OF THE COMPANY

I. SECRETARIAL AUDITORS AND THEIR REPORT

The Board had appointed Mr. Akshit Gupta, Company Secretary in Whole Time Practice, for a term of 1(One) year for the Financial Year 2020-21 to conduct the audit of Secretarial and related records of the Company. The Secretarial Audit Report for the financial year ended March 31, 2021 is provided in **Annexure-2** to this Boards' Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

II. STATUTORY AUDITOR'S AND THEIR REPORT

Accordingly, the Audit Committee and the Board of Directors of the Company have recommended to the shareholders for the Ratification of M/s SBD & CO., Chartered Accountant (Firm Registration No. 024005N), as statutory auditors for a period of five consecutive years commencing from the conclusion of 44th AGM till the conclusion of 49th AGM pursuant to section 139 of the Companies Act, 2013.

However, for the Financial Year ended March 31, 2021, the report of the auditors M/s SBD & CO., Chartered Accountant, does not have any qualifications and adverse remarks and notes on Financial Statements referred to in the Auditors' Report are self-explanatory and, therefore, do not call for further explanations/ clarification in the Directors Report. Pursuant to the

Provision of Section 143 (12) of the Companies Act, 2013 and Rules frame thereunder, that there have been no instance of fraud reported by the Auditors either to the Company or to the Central Government.

III. COST AUDITORS

In terms of sub-section (1) of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to get its Cost Accounting record audited and maintain the cost Auditor. Accordingly the Board at its Meeting held on 20.09.2020 has on recommendation of the Audit Committee , re-appointed M/s ABP & Co., (FRN 00403), Cost Accountants, for the financial year 2021-22. To conduct the Audit of the Cost Accounting records of the company.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Anubhav Kathuria, retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

And Mr. Ajay Kumar Mohanty has been Re-appointed as an Independent Director, Mr. Subhash Chander Kathuria has been re-appointed as a Managing Director of the company and Ms. Arundhati Kar has been appointed as an Woman Cum Independent Director in the Company.

Ms. Sakshi Kathuria has been resigned from the Directorship from the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of Loans, Guarantees and Investment have been disclosed in the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered by the Company during the financial year, were in the ordinary course of business. The Company presents a Statement of all related party transactions before the Audit Committee on a quarterly basis specifying the nature, value and terms and conditions of transaction. Transactions with related parties are conducted in a transparent manner with the interest of the Company as utmost priority. Details of such transactions are given in the accompanying Financial Statements. Details of Transactions has been Annexed in AOC-2 as **Annexure-3**.

CREDIT RATING

Brickwork Ratings India Pvt Ltd has reaffirmed Synergy Steels Limited's (SSL) Long-Term Issuer Rating at 'IND BWR A- and Short Term Issuer Rating BWR A2+, The Outlook is Stable.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

Board of Directors met 12 times during the financial year on respective dates; 06.04.2020, 11.07.2020, 10.08.2020, 06.09.2020, 09.09.2020, 02.11.2020, 05.11.2020, 05.12.2020, 28.12.2020, 23.01.2021, 05.03.2021, and 06.03.2021 for the discussion of different matter and Quorum was duly preset at every meeting of the Board.

The names of members of the Board, their attendance at the Board Meetings

Name of Directors	Number of Meetings attended/ Total Meetings held during the F.Y. 2020-21
Mr. Subhash Chander Kathuria	12/12
Mr. Anubhav Kathuria	12/12
Mr. Subhash Jain	12/12
Mr. Ajay Kumar Mohanty	12/12
Ms. Sakshi Kathuria	12/12

COMMITTEES OF BOARD

Board of Director has formed five vital committees for assistance of the Board these committees are comprised exclusively of directors. Committee members are appointed by the Board of Directors, which also designates each committee's chairman. The responsibilities and specific operating procedures of each committee were specified by the board when they were established and were added to the by-laws.

1. Audit Committee

Your Company has in place Audit Committee of Board of Directors. The Audit Committee is in conformity with the provisions of Section 177 of the Companies Act, 2013. The Committee Met Seven times during the year.

2. Nomination & Remuneration Committee

Your Company has in place duly constituted Nomination and Remuneration Committee of the Board of Directors, In terms of Section 178 of the Companies Act, 2013 ('Act') read with Companies (Meeting of the Board and its Power) Rules, 2014 .

3. Stakeholders Relationship Committee

Name of the Shareholder Grievance & Share Transfer Committee changed to Stakeholders Relationship Committee.

The Committee met once during the year. No complaints were received by the Company from the investors. Also, there are no complaints pending in respect of previous period.

4. Corporate Social Responsibility Committee (CSR)

Your Company has in place CSR Committee of Board of Directors. The CSR Committee is in conformity with the provisions of Section 135 of the Companies Act, 2013. The Committee met Two times during the year.

Synergy believes in inclusive growth to facilitate creation of a value –based and empowered society through continuous and purposeful engagement with the society around.

Guided by the belief that every life is important and must be given fair opportunities to make the best out of it. Synergy is working towards eradicating poverty & Hunger, malnutrition etc. The company will assure you that in the forthcoming year our company will invest more amount and will contribute to the growth of the society as well as Nation.

During the year, the CSR initiatives undertaken by the Company, under Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules 2014, are attached with the Annual Report **Annexure 4**.

5. PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company has zero tolerance for sexual harassment at workplace and has formulated a policy on Prevention, Prohibition and Redressal of Sexual harassment at the workplace, in line with the provisions of the Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under.

The Policy aim to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has also constituted an internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. There were no complaint received from any employee during the financial year 2020-21 and hence no complaint is outstanding as on March 31, 2021.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance to Section 177(9) & (10) of the Companies Act, 2013, Our Company has established a "Vigil Mechanism" for its Employees and Directors, enabling them to report any concerns of unethical behavior, suspected fraud or violation of the Company's code of conduct.

To this effect the Board has adopted a "Whistle Blower Policy" (WBP), which is overseen by the Audit Committee. The policy provides safeguards against victimization of the whistle blower. Employees and other shareholders have direct access to the chairman of the Audit Committee for lodging concern if any, for review.

PARTICULARS OF EMPLOYEES:

Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Not Applicable

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

Not Applicable

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO Sec 134(3)(m) read with Rule 8 Sub rule 3 of Companies (Accounts) rules 2014)

The company lays great emphasis on saving in the cost of energy consumption. Achieving reduction in per unit if consumption of energy is ongoing exercise in the company. The details of conservation of energy, technology absorption are as follows:

1. CONSERVATION OF THE ENERGY

Sl. No	Particular	2020-21	2019-20
1.	Electricity Purchased	109836576	115839648
2.	Total Amount (Rs. in Lacs)	7744.76	9047.09
3.	Rate per unit	7.3	7.6

(B) OWN GENERATION : NIL

2. OIL (HFO/COAL)

A. COAL USED IN FURNACE : NIL

B. LSHS (Premium) USED IN FURNACE

Sl. No	Particular	2020-21	2019-20
1.	Quantity	4238.334MT	30.928 MT
2.	Total Cost	142566234.75	1066966.04
3.	Average Rate/MT	33637.32 PMT	34488.39 PMT

The Company continues to endeavor to improve energy conservation and utilization

(i) the steps taken or impact on conservation of energy;

- a. Energy efficient lights LED
- b. Advance Melting Plant
- c. Power Saving Equipment

(ii) the steps taken by the company for utilizing alternate sources of energy; In the planning stage to install Solar power.

Apart from above, the Company has also other energy conservation measures in place, like, rain harvesting systems, usage of treated/recycled water, tree plantation, optimization of processes and equipment's etc. All these steps ultimately results in savings in energy, water consumption, in fuel consumption and protecting the environment.

A. RESEARCH & DEVELOPMENT (R&D):

The Company is in continuous process to take effective steps for energy efficiency which has resulted into improvement of cost of energy. Steps are also being taken to maintain power factor upto .999%

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

The Company recognizes that focused initiative on development on new products would form the backbone of the company's future business performance and profitability. The technology received by the Company is being absorbed, customized and adapted to the demands of the local markets. The technologies used by the company is updated as a continuous exercise. Keeping this in view the company has increased its efforts in terms of development of new products. Following are some of the technology absorption efforts made by the Company during the year

- a) Customized product formula, process and product quality specifications
- b) Identified alternate local raw material vendors
- c) Reviewing and approval of product claims and providing clinical Support and preparing documentation

C. FOREIGN EXCHANGE EARNINGS & OUTGO

Details of Foreign exchange earing through exports and Foreign Exchange outgo on account of imports, expenditure on travelling and other matters etc. are given below.

- (i) Foreign exchange earned: Rs. 1591023376
- (ii) Expenditure in Foreign exchange: Rs. 3246054909

DIRECTORS' RESPONSIBILITY STATEMENT Refer Sec 134(3)(C)read with Sec 134(5)

The Directors' Responsibility Statement referred to in clause (c) of sub-section

(3) of Section 134 of the Companies Act, 2013, shall state that—

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

ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their appreciation for the sincere services rendered by employees of the Company at all levels. Your Directors also wish to place on record their appreciation for the valuable co-operation and support received from the Government of India, various state governments, the Banks/ financial institutions and other stakeholders such as, shareholders, customers and suppliers, among others. The Directors also commend the continuing commitment and dedication of the employees at all levels, which has been critical for the Company's success. The Directors look forward to their continued support in future.

Date: 01/11/2021

Place: New Delhi



Subhash Chander Kathuria
Managing Director
DIN: 00125337



Anubhav Kathuria
Director
DIN: 01198916

Form No.MGT-9

**EXTRACT OF ANNUAL RETURN
as on the financial year ended on March 31, 2021**

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

I. REGISTRATION AND OTHER DETAILS:	
i) CIN:-	U27107DL1973PLC210670
ii) Registration Date:	April 13, 1973
iii) Name of the Company :	Synergy Steels Limited
iv) Category/Sub-Category of the Company:	Company Limited By shares
v) Address of the Registered office and contact details	1/1 Kirti Nagar, Industrial Area, New Delhi-110015
	Web Site: www.synergysteels.com
	E-Mail: tiwari.arvind@synergysteels.com
vi) Whether listed company: Yes/ No	No
vii) Name ,Address and Contact details of Registrar and Transfer Agent,if any	Skyline Financial Services Limited Reg Add: D-153 A, 1st Floor, Okhla Industrial Area, Phase - I , New Delhi - 110 020 Contact Details: 011-40450193 to 197

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:-

SI.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Steels & Scrap Thereto	7204	100%

III. PARTICULARS OF HOLDING,SUBSIDIARY AND ASSOCIATE COMPANIES

SI.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiaries/ Associate	% of shares held	Applicable Section
	NA	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

i) Category-wise ShareHolding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(g) Individual / HUF	142308	9028262	9170570	69.33	142308	9028262	9170570	69.33	0.00
h) Central Govt	-	-	-	-	-	-	-	-	-
i) State Govt(s)	-	-	-	-	-	-	-	-	-
j) Bodies Corp.	-	4056691	4056691	30.66	-	4056691	4056691	30.66	0.00
k) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any Other...	-	-	-	-	-	-	-	-	-
Sub - total (A) (1):-	142308	13084953	13227261	100	142308	13084953	13227261	100	0.00
(2) Foreign									
(a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
© Bodies Corporate	-	-	-	-	-	-	-	-	-
(d) Banks/ FI	-	-	-	-	-	-	-	-	-
(e) Any Other...	-	-	-	-	-	-	-	-	-
Sub - total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	142308	13084953	13227261	100.00	142308	13084953	13227261	100.00	-
B. Public Shareholding (s)									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non- Institutions									
a) Bodies Corp.									
i) Indian	-	-	0	0.00	-	-	0	0.00	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	40	40	0.00	-	40	40	0.00	-
ii) Individual shareholders holding nominal share capital in excess of Rs1 lakh	-	-	-	-	-	-	-	-	-
c) HUF	-	-	-	-	-	-	-	-	-
d) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	40	40	0.00	-	40	40	0.00	-
Total Public Shareholding (B) = (B) (1)+ (B) (2)	-	40	40	0.00	-	40	40	0.00	-
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	142308	13227301	13227301	100.00	142308	13227301	13227301	100.00	-

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	%of total Shares of the company	No. of Shares	% of total Shares of the company
1	Mr. Subhash Chander Kathuria	6036348	45.64	6036348	45.64
2	Mrs. Anita Kathuria	575446	4.35	575446	4.35
3	Mr. Anubhav Kathuria	1111428	8.40	1111428	8.40
4	S.C.Kathuria(H.U.F)	237,348	1.79	237,348	1.79
5	Anita International (proprietor SCK)	1,135,000	8.58	1,135,000	8.58
6	Smt. Monica Sarin	5,000	0.04	5,000	0.04
7	Yasha Sud	65,000	0.49	65,000	0.49
8	Rimple Lohia	5,000	0.04	5,000	0.04
9	Alwar Rolling Mills Pvt. Ltd	445,000	3.36	445,000	3.36
10	Surya Fin-vest Private limited	1,337,058	10.11	1,337,058	10.11
11	Kathuria Casting Pvt. Ltd	585,263	4.42	585,263	4.42
12	Himalaya Estate Pvt. Ltd	655,263	4.95	655,263	4.95
13	Wonder Software Pvt. Ltd	50,000	0.38	50,000	0.38
14	Aakar Technobuild Private Limited	260,000	1.97	260,000	1.97
15	Synergy Global Steel Private Limited	425,000	3.21	425,000	3.21
16	Ramnika Estate Pvt Ltd.	299,107	2.26	299,107	2.26
	Total	13227261	100.00	13227261	100.00

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

There is no change in the Promoters' Shareholding during the Year

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	For Each of the Top 10 Shareholders	Shareholding during 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
1	K. B. Lal	At the beginning of the year	10	0.00	10	0.00
		Changes During the year	No Change			
		At the End of the year i.e. 31st March, 2019		0.00	0	0.00
2	Bhuwan Pandey	At the beginning of the year	10	0.00	10	0.00
		Changes During the year	No Change			
		At the End of the year i.e. 31st March, 2019			10	0.00
3	Ram Talwar	At the beginning of the year	10	0.00	10	0.00
		Changes During the year	No Change			
		At the End of the year i.e. 31st March, 2019			10	0.00
4	M.L. Agarwal	At the beginning of the year	10	0.00	10	0.00
		Changes During the year	No Change			
		At the End of the year i.e. 31st March, 2019			10	0.00

(v) Shareholding of Directors and Key Managerial Personnel:						
Sl. No.	Name	For Each of the Directors and KMP	Shareholding during 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
1	Mr. Subhash Chander Kathuria	At the beginning of the year	6,036,348	45.64	6036348	45.64
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2020			7171348	45.64
2	Mr. Subhash Jain	At the beginning of the year	0	0.00	0	0.0
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2020			0	0.0
3	Mr. Anubhav Kathuriria	At the beginning of the year	1111428	8.40	1111428	8.40
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2019			1111428	8.40
4	Mr. Ajay Kumar Mohanty	At the beginning of the year	0	0.00	0	0.0
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2019			0	0.0
5	Ms Sakshi Kathuria	At the beginning of the year	0	0.00	0	0.0
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2020			0	0.0
6	Mr. Arvind Kumar Tiwari	At the beginning of the year	0	0.00	0	0.0
		Change During the year		No Change		
		At the End of the year i.e. 31st March, 2020			0	0.0
7	Ms. Surbhi Narang	At the beginning of the year	0	0	0	0
		Change During the year		No change		
		At the End of the year i.e. 31st				

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

(In Crore)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	143.84	7.96	0	151.8
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	143.84	7.96	0	151.8
Change in Indebtedness during the financial year				
· Addition	0	0	0	0
· Reduction	8.55	7.5	0	16.05
NetChange	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	135.29	0.46	0	135.75

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Mr. Subhash Chander Kathuria*
		Amount
1	Gross salary	0
	(a) Salary as per provisions	0
	(b) Value of perquisites u/s 17(2)	0
	(c) Profits in lieu of salary under	0
2	Stock Option	0
3	Sweat Equity	0
4	Commission	0
	- as % of profit	0
	- others, specify...	0
5	Others, please specify	0
	Total (A)	0
	Ceiling as per the Act	

Note: Mr. Subhash Chander Kathuria has waived his right to receive remuneration from the company.

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Independent Director		
		Mr. Ajay Kumar Mohanty	Ms. Sakshi Kathuria	Total Amount
3. Independent Directors				
	Fee for attending Board Meeting	0	0	0
	Fee for Attending Committee Meeting	0	0	0
	Commission			
	Others, please specify	0	0	0
	Total(1)	0	0	0

Note: Independent Director has waived his right to receive remuneration from the company hence no remuneration paid during the year.

Sl. no.	Particulars of Remuneration	Name of Independent Director		
		Mr. Subhash Jain	Mr. Anubhav Kathuria	Total Amount
4. Other Non-Executive Directors				
	Sitting Fees	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total(2)	0	0	0
	Total (B) = (1+2)	0	0	0
	Total Managerial Remuneration	0	0	0
	Overall Ceiling as per the Act	0	0	0

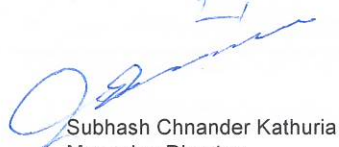
C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD


Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Arvind Kumar Tiwari (Company Secretary)	Surbhi Narang (CFO)	Total Amount
1	Gross salary	2,539,240	960000	3499240
	(a) Salary as per provisions	0	0	0
	(b) Value of perquisites u/s 17(2)	0	0	0
	(c) Profits in lieu of salary under	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit	0	0	0
	- others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total (A)	2539240	960000	3499240

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March, 2021.

Date: 01/11/2021
Place: New Delhi


Subhash Chander Kathuria
Managing Director
DIN:00125337
R/o: 3, Poorvi Marg, Vasant Vihar,
New Delhi-110057


Anubhav Kathuria,
Director
DIN:01198916
R/o: 3, Poorvi Marg,
Vasant Vihar,
New Delhi-110057



Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

[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 of
SYNERGY STEELS LIMITED
1/1, Kirti Nagar Industrial Area,
West Delhi-110015

In connection with issue of a Secretarial Audit Report pursuant to Sec.204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect **SYNERGY STEELS LIMITED** (hereinafter called the Company) for the Financial Year ended **31st March, 2022**, we wish to state as under:-

- 1) **SYNERGY STEELS LIMITED** is incorporated under the Companies Act, 1956 vide CIN-U27107DL1973PLC210670 issued by the Registrar of Companies, NCT of Delhi & Haryana.
- 2) We have verified the records maintained by the Company under the provisions of the Companies Act, 2013 (Act) from 01st April, 2021 to 31st March, 2022 ("the Audit Period") and report that the Company has complied with the various provisions of the said Act.
- 3) The Authorized Share Capital of the Company is Rs. 14,00,00,000 /- (Fourteen Crore Only) divided into 1,40,00,000 (One Crore Forty Lakh Only) Equity Shares of Rs. 10/- (Ten) each.
- 4) The Issued, subscribed and Paid up Capital of the Company is Rs. 13,22,73,010/- (Thirteen Crore Twenty Two Lakh Seventy Three Thousand Ten Only) divided into 1,32,27,301 (One Crore Thirty Two Lakhs Twenty Seven Thousand Three Hundred One Only) Equity Shares of 10/- (Ten) each.

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **SYNERGY STEELS LIMITED (hereinafter may be referred to as "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and representation letter given by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, during the audit period covering the financial year ended on 31st March, 2022 ('**Audit Period**'), the Company has, 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:



Address: 407-408, GD-ITL Tower B-08, Netaji Subhash Place, Pitampura, New Delhi-110034 (India)

Tel: +91-11-47015959/89 Email: cs@sigmalegal.in

(A unit of Sigma Legal Group)

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- I. The Companies Act, 2013 ("the Act") and Companies Act, 1956 (to the extent applicable) the rules made thereunder including any re-enactment thereof;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder **[Not Applicable to the Company, since the Company is an unlisted Public Company]**;
- III. The Depositories Act, 1996 and the Regulations & Bye-laws framed thereunder **[Not Applicable to the Company during the Audit Period]**;
- IV. Foreign Exchange Management Act, 1999 (FEMA) & the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Not Applicable to the Company, as there were no transactions in the Company during the period under review concerning the same]**;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):- 1999 **[since the Company is an unlisted Public Company]**;
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011/1999 **[Not Applicable]**;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/1999 **[Not Applicable]**;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018/1999 **[Not Applicable]**;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **[Not Applicable]**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable]**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with **[Not Applicable]**;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable]**;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **[Not Applicable]**;

We have also examined compliance with Secretarial Standards issued by the Institute of Company Secretaries of India;

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.




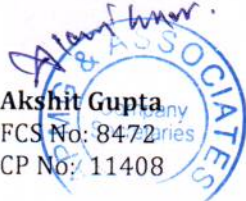
We further report that the compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

WE FURTHER REPORT THAT:

- The Board of Directors of the Company is duly constituted as per the provision of the Companies Act, 2013.
- Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.
- Resolutions & Decisions at the Board Meetings, as represented by the management and recorded in minutes, were taken with requisite majority.
- There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**For Akshith Gupta & Associates
Company Secretaries**



Akshith Gupta
FCS No: 8472
CP No: 11408

Place: New Delhi

Date: 18.08.2022

UDIN: F008472D000813155

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 SECRETARIAL AUDIT REPORT

To,
The Members of
SYNERGY STEELS LIMITED
1/1, Kirti Nagar Industrial Area,
West Delhi-110015

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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Akshit Gupta & Associates
Company Secretaries


Akshit Gupta
FCS No: 8472
CP No: 11408

Place: New Delhi
Date: 18.08.2022
UDIN: F008472D000813155

Annexure-3**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 at arm's length basis

Sl. No	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/ transactions	Duration of the contracts / arrangement s/transaction	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount in lakhs
1.	Anita International	Purchase					3739.6
2.	Chamak Holdings Limited	Purchase					8451.98
3.	Himalaya Estate Pvt Ltd	Rent					84

2. Details of material contracts or arrangement or transactions not at arm's length basis: Nil

- (a) Name(s) of the related party and nature of relationship
- (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) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

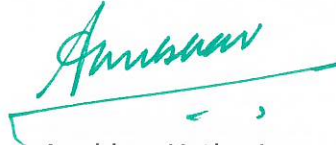
Note: Form shall be signed by the persons who have signed the Board's report.

Date: 01/11/2021

Place: New Delhi



Subhash Chander Kathuria
Managing Director
DIN: 00125337
R/o: 3, Poorvi Marg, Vasant Vihar,
New Delhi-110057



Anubhav Kathuria
Director
DIN: 01198916
R/o: 3, Poorvi Marg, Vasant Vihar,
New Delhi-110057

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

A. Objective

Managing the CSR contribution to produce an overall positive impact on our society and create wellness.

B. Vision

Taking CSR as a strategic social investment, your Company aims to align and integrate Its resources with society's developmental needs towards creating a better tomorrow.

C. Mission

To align its activities with its CSR vision and carry out initiatives in the area of: a) education and skill development, b) social and economic welfare, c) environmental sustainability, d) any other permissible areas of CSR.

D. Activities

Main Focus Area being Education and other CSR activities listed in the Policy Document as per Companies Act, 2013.

1. Your company after doing analysis and as per the requirement of society, decide to Invest the fund of CSR for improving the Society hence the company spent CSR amount to Sum Drishti Education Society who offers various skill development and vocational training program for the development of youth and women and to enhance the Women empowerment and independence, a Trust and NGO i.e International Society of Krishna Consciousness, which is part of combat world hunger, Donation to Earth Saviours Foundation who serves less privileged people and making every possible effort to protect the environment and donation to Ramkrishna Mission Jaipur who carrying out medical, relief and educational Program.

2. The Composition of the CSR Committee.

CSR Committee consists the following members:

Mr. Subhash Jain	Chairman
Mr. Subhash Chander Kathuria	Member
Ms. Sakshi Kathuria	Member

3. Average net profit of the company for last three financial years: 283398099
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.5667962
5. Details of CSR spent during the financial year. Rs. 9926000
 1. Total amount to be spent for the financial year; Rs. 5667962
 2. Amount unspent, if any: Nil

3. Manner in which the amount spent during the financial year is detailed below.

1	2	3	4	5	6	7	8
S. No.	CSR project or activity identified	Sect or in which the project is covered	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.	Drishti Education Society (Supporting Women empowerment and potential by skill development)		Delhi NCR	NA	NA	NA	1.8900000
2.	International Society of Krishna Consciousness (Combat world hunger by providing free meals)						2.701000
3.	Ramakrishna Mission (provide medical relief and educational Program.)		Rajasthan				3. 125000/-
4.	Earth Saviours Foundation (Serving less privileged people and making every possible effort to protect environment)						4.200000/-

- e) In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount.

A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company: It is hereby stated that the implementation and monitoring of CSR Policy is in compliance / will be in compliance with the CSR Objectives and Policy of the Company.

Date:01.11.2021
Place: New Delhi



Subhash Chander Kathuria
Managing Director



Subhash Jain
Chairman CSR Committee

INDEPENDENT AUDITOR'S REPORT

To the members of **Synergy Steels Limited**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Synergy Steels Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

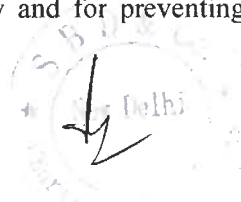
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and those charged with governance for the financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting



frauds and other irregularities; selection, application and implementation 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Financial Statement

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

A further description of the auditor's responsibilities for the audit of the financial statements is included in "Annexure A". This description forms part of our auditor's report.

Emphasis on Matter:

We draw attention on Note no. 35 of financial statements of the Company: The Company has not made a provision of Rs. 2,10,749/- in respect of interest payable on amounts due for payment to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Act, 2006, on account of delay in payment to MSME enterprises. The profit of the Company is overstated by an amount of Rs. 2,10,749/- on account of non-provision of interest payable to MSME Enterprises, and Reserve and Surplus of the Company are overstated by the same amount.

Our opinion is not modified in this respect.

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 in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid 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 March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have pending litigations which would impact on its financial position in its financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

606, New Delhi House,
27, Barakhamba Road,
New Delhi - 110001

for SBD & Co.
Chartered Accountants
Firm Registration No. 024005N
By the hand of



Brijinder Bhushan Deora
Partner

Membership No. 003885
UDIN: 21003885AAAAAF6985

Date: 01.11.2021
New Delhi

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT”

Responsibilities for Audit of Financial Statement

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

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

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

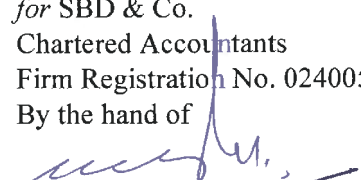
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

606, New Delhi House,
27, Barakhamba Road,
New Delhi - 110001

for SBD & Co.
Chartered Accountants
Firm Registration No. 024005N
By the hand of




Brijinder Bhushan Deora
Partner
Membership No. 003885
UDIN: 21003885AAAAAF6985

Date: 01.11.2021
New Delhi

“ANNEXURE B” TO INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph ‘Report on Other Legal and Regulatory Requirements’
To the Members of **Synergy Steels Limited** (“the Company”))

- i) In respect of property, plant and equipment:
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) As explained to us, all the property, plant and equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company. Also, the Company has lease deed executed in its favour in respect of leasehold land held by the Company.
- ii) The inventories were physically verified by the management at reasonable intervals during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of account.
- (ii) According to the information and explanation given to us, 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 Companies Act. Consequently, the requirement clause iii (a) to clause iii (c) of paragraph 3 of the Order are not applicable to the Company.
- iv) The Company has not given any loans, provided any guarantee or security in connection with any loan and/ or acquiring securities of any other body corporate.
- v) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act, and the Rules made thereunder during the year.
- vi) According to the information and explanations given to us, the Central Government has prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act in respect of activities carried out by the Company and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income-tax, value added tax, goods and service tax, cess and other statutory dues as applicable to it with the appropriate authorities and no undisputed amounts payable were outstanding as at March 31, 2021, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, which have not been deposited with the appropriate authorities on account of any dispute.



**“ANNEXURE C” TO INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF SYNERGY STEELS LIMITED**

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of the section 143 of the Act

We have audited the internal financial controls over financial reporting of **Synergy Steels Limited** (“the Company”) as of March 31, 2021, 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 laying down 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 (Guidance Note) issued by the Institute Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the Act).

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of its 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 to 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, 2021, 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 issued by the ICAI.

606, New Delhi House,
27, Barakhamba Road,
New Delhi - 110001

Date: 01.11.2021
New Delhi



for SBD & Co.
Chartered Accountants
Firm Registration No. 024005N
By the hand of


Brijinder Bhushan Deora
Partner

Membership No. 003885
UDIN: 21003885AAAAAF6985

SYNERGY STEELS LIMITED

i/1, Main Road, Kirti Nagar, New Delhi- 110015

CIN-U27107DL1973PLC210670

BALANCE SHEET AS AT MARCH 31, 2021

	Notes	March 31, 2021 Rs.	March 31, 2020 Rs.
EQUITY AND LIABILITIES			
Shareholders' fund			
Share capital	3	132,273,010	132,273,010
Reserves and surplus	4	2,103,298,808	1,872,934,963
		<u>2,235,571,818</u>	<u>2,005,207,973</u>
Non current liabilities			
Long term borrowings	5	169,832,675	362,016,918
Deferred tax liabilities (Net)	6	218,682,718	212,801,985
Long-term provisions	7	26,502,563	19,724,518
		<u>415,017,956</u>	<u>594,543,421</u>
Current liabilities			
Short term borrowings	8	1,187,690,953	702,464,112
Trade payables	9	1,471,237,076	1,196,332,852
Other current liabilities	10	662,221,643	385,120,510
Short term provisions	11	34,377,341	33,441,753
		<u>3,355,527,013</u>	<u>2,317,359,227</u>
		6,006,116,787	4,917,110,621
ASSETS			
Non current assets			
Property, plant and equipments	12	1,403,830,290	1,484,859,400
Intangible Assets	12A	4,336,858	
Capital work in progress	13	475,429,736	279,654,061
Non current investments	14	3,038,168	3,038,168
Long term loans and advances	15	110,835,494	124,090,960
Other non current assets	16	10,640,850	9,584,909
		<u>2,008,111,396</u>	<u>1,901,227,498</u>
Current assets			
Inventories	17	1,814,165,205	1,687,878,042
Trade receivables	18	1,460,501,014	880,670,179
Cash and bank balances	19	96,760,774	93,937,452
Short term loan and advances	20	383,184,378	234,859,208
Other current assets	21	243,394,020	118,538,242
		<u>3,998,005,391</u>	<u>3,015,883,123</u>
		6,006,116,787	4,917,110,621

CORPORATE INFORMATION

1

SIGNIFICANT ACCOUNTING POLICIES

2

NOTES TO FINANCIAL STATEMENTS

3 - 49

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

As per our report of even date.

SBD & Co.

Chartered Accountants

Firm Registration No. 024005N

By the hand of

Brijinder Bhushan Deora
Partner

Membership No. 003885

Date: 01/11/2021

New Delhi.



Subhash Chander Kathuria
Managing Director
DIN: 00125337

Yugal Kishor Garg
Chief Financial Officer
PAN: AHXPG2362B

For and on behalf of Board of Directors of
Synergy Steels Limited



Anubhav Kathuria
Director
DIN: 0198916

Arvind Kumar Tiwari
Company Secretary
Membership No. F-6421

SYNERGY STEELS LIMITED

1/1, Main Road, Kirti Nagar, New Delhi- 110015

CIN-U27107DL1973PLC210670

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021

	Notes	March 31, 2021 Rs.	March 31, 2020 Rs.
INCOME			
Revenue from operations	22	14,912,740,582	14,575,557,699
Less: Goods and service tax		2,298,772,007	2,200,420,697
		12,613,968,575	12,375,137,002
Other income	23	244,349,572	95,205,261
Total income		12,858,318,147	12,470,342,263
EXPENSES			
Materials consumed	24	10,363,358,699	10,063,756,951
Manufacturing costs	25	1,420,122,666	1,492,745,290
Change in inventories of finished goods and work-in-progress	26	(123,604,848)	(114,539,640)
Employees benefits expense	27	143,609,700	134,508,101
Finance costs	28	145,106,059	136,297,151
Depreciation and amortization	12/12A	114,504,802	103,606,266
Other expenses	29	427,309,988	296,695,111
Total expenses		12,490,407,066	12,113,069,229
Profit before prior adjustments and tax		367,911,081	357,273,034
Less: Prior period expenses		-	-
Profit before tax	(i)	367,911,081	357,273,034
Less: Tax expense			
Current tax		128,408,424	111,150,183
Excess Provision Created last year (Now Reversed)		(684,853)	-
Less: MAT adjustment of earlier year		-	161,102
Net current tax	(ii)	127,723,571	111,311,285
Deferred tax	(iii)	5,880,733	15,928,648
Profit for the period	(iv=i-ii-iii)	234,306,777	230,033,101

Earnings per equity share of nominal value of Rs. 10 (Rs. 10)

Basic	17.71	17.39
Diluted	17.71	17.39

CORPORATE INFORMATION**SIGNIFICANT ACCOUNTING POLICIES****NOTES TO FINANCIAL STATEMENTS**

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

As per our report of even date.

SBD & Co.

Chartered Accountants

Firm Registration No. 024005N

By the hand of

Brijinder Bhushan Deora
Partner

Membership No. 00388

Date: 01.11.2021

New Delhi.

For and on behalf of Board of Directors of
Synergy Steels Limited

Subhash Chander Kathuria
Managing Director
DIN: 00125337

Yugal Kishor Garg
Chief Financial Officer
PAN: AHXPG2362B

Anubhav Kathuria
Director
DIN: 01198916

Arvind Kumar Tiwari
Company Secretary
Membership No. F-6421



SYNERGY STEELS LIMITED

1/1, Main Road, Kirti Nagar, New Delhi- 110015

CIN-U27107DL1973PLC210670

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON MARCH 31, 2021

For the year ended	March 31, 2021 Rs.	March 31, 2020 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	367,911,081	357,273,034
Adjustments for:		
Depreciation	114,504,802	103,606,266
Finance costs	132,427,420	125,749,640
Interest received	(12,228,426)	(16,413,894)
Prior period expenses	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	602,614,877	570,215,045
Adjustments for (increase) / decrease in operating assets:		
Inventories	(126,287,163)	(185,547,753)
Trade receivables	(579,830,835)	(63,958,953)
Short-term loans and advances	(208,255,763)	45,592,412
Long-term loans and advances	13,255,466	(23,942,720)
Other current assets	(124,855,778)	(38,066,679)
Other non-current assets	(1,055,941)	(1,793,803)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	274,904,224	204,044,968
Other current liabilities	277,101,133	(93,419,653)
Short-term provisions	2,188	487,453
Long-term provisions	6,778,045	7,858,708
CASH GENERATED FROM OPERATIONS	134,370,453	421,469,025
Income tax paid	(66,859,577)	(73,566,351)
NET CASH FROM OPERATING ACTIVITIES	67,510,876	347,902,674
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(41,847,290)	(102,199,628)
Sale/Adjustment of property, plant and equipment	91,808	87,000
(Increase)/decrease in capital work in progress	(195,775,675)	(99,560,547)
(Increase)/decrease in deposits with bank	(26,190,303)	1,530,239
Interest received	12,228,426	16,413,894
NET CASH USED IN INVESTING ACTIVITIES	(251,493,034)	(183,729,042)
C. CASH FLOW FROM FINANCE ACTIVITIES		
Proceeds from issue of equity shares	-	-
Increase in share premium	-	-
Increase/(decrease) of long-term borrowings	(192,184,243)	(6,902,121)
Proceeds from other short-term borrowings	485,226,841	(10,072,501)
Finance costs	(132,427,420)	(125,749,640)
NET CASH USED IN FINANCING ACTIVITIES	160,615,178	(142,724,262)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS	(A+B+C) (23,366,980)	21,449,370
CASH AND CASH EQUIVALENTS OPENING BALANCE	46,160,866	24,711,496
CASH AND CASH EQUIVALENTS CLOSING BALANCE	22,793,886	46,160,866

Note: Figures in brackets indicate cash out flow.

This is the Cash Flow Statement referred to in our report of even date.

SBD & Co.

Chartered Accountants

Firm Registration No. 024005N

By the hand of

Brijinder Bhushan Deora
Partner

Membership No. 003885

Date: 01.11.2021

New Delhi.

Subhash Chander Kathuria
Managing Director
DIN: 00125337Yugal Kishor Garg
Chief Financial Officer
PAN: AHXPG2362BFor and on behalf of Board of Directors of
Synergy Steels LimitedAnubhav Kathuria
Director
DIN: 01198916Arvind Kumar Tiwari
Company Secretary
Membership No. F-6421

SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021 Rs.	March 31, 2020 Rs.
3 SHARE CAPITAL		
Authorized		
1,38,00,000 (1,38,00,000) equity shares of Rs. 10 (Rs. 10) each	138,000,000	138,000,000
20,000 (20,000) 9.5% (9.5%) cumulative preference shares of Rs. 100 (Rs. 100) each	2,000,000	2,000,000
	<u>140,000,000</u>	<u>140,000,000</u>
Issued, subscribed and paid up		
1,32,27,301 (1,32,27,301) equity shares of Rs. 10 (Rs. 10) each fully paid up	132,273,010	132,273,010

Notes:
(a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2021		March 31, 2020	
	Numbers	Rs.	Numbers	Rs.
Outstanding at the beginning of the year	13,227,301	132,273,010	13,227,301	132,273,010
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>13,227,301</u>	<u>132,273,010</u>	<u>13,227,301</u>	<u>132,273,010</u>

(b) Terms/rights attached to equity shares:

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

(c) Details of shareholders holding more than 5% of fully paid equity shares in the Company:

Name of shareholder	March 31, 2021		March 31, 2020	
	Numbers	Percentage (%)	Numbers	Percentage (%)
Subhash Chander Kathuria	7,171,348	54.22%	7,171,348	54.22%
Surya Finvest Pvt. Ltd.	1,337,058	10.11%	1,337,058	10.11%
Anubhav Kathuria	1,111,428	8.40%	1,111,428	8.40%
Himalya Estate Pvt. Ltd.	655,263	4.95%	655,263	4.95%

(d) No bonus issue, buy back of shares and issue of shares other than cash in last five years.

4 RESERVES AND SURPLUS
(a) Securities premium account

Balance as at the beginning of the year	823,126,758	823,126,758
Add: Received on issuance of equity shares	-	-
Balance as at the end of the period	<u>823,126,758</u>	<u>823,126,758</u>

(b) Revaluation reserve

Balance as at the beginning of the year	94,812,534	98,759,525
Less: Depreciation for the period	3,942,932	3,946,991
Balance as at the end of the period	<u>90,869,602</u>	<u>94,812,534</u>

(c) Central Government cash subsidy

1,258,657	1,258,657
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(d) Surplus

Balance at the beginning of the year	953,737,014	723,703,913
Add: Profit for the period	234,306,777	230,033,101
Balance as at the end of the period	<u>1,188,043,791</u>	<u>953,737,014</u>

a+b+c+d)

2,103,298,808	1,872,934,963
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SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021 Rs.	March 31, 2020 Rs.
5 LONG TERM BORROWINGS		
Secured		
From Indian Overseas Bank (IOB)		
Term loan-I	147,416,918	282,416,918
Term loan-II	-	-
WCTL under GECL	14,666,666	-
From UCO Bank		
Covid-19 Emergency Credit Line (UCECL) Term Loan	3,149,091	-
Unsecured		
From related parties		
Body corporate	4,600,000	4,600,000
From Director	-	70,000,000
From other parties		
Body corporate	-	5,000,000
	169,832,675	362,016,918

Notes:
A) Term loan-I from Indian Overseas Bank (IOB)

- (i) Term loan-I of Rs. 284,737,989 (Rs. 370,777,881) for Wire Rod Mill (WRM) project is repayable in 22 (twenty two) quarterly (Balance 8 instalments) instalments commenced from April 1, 2017, with moratorium of 32 (thirty two) months. Interest on term loan to be serviced on monthly basis as and when charged to the account.
- (ii) **Primary security:** The aforesaid term loan-I is secured by first charge by way of equitable mortgage of factory land and building situated at New Unit situated at 5, SPL, MIA, Alwar, Rajasthan, and hypothecation of plant and machinery and first charge on fixed assets of the Company.
- (iii) **Collateral security:** i) First pari-passu charge on leasehold factory land and building at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; ii) Second charge on plant and machinery at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; iii) Second charge on factory building and plant and machinery at Plot No. 5, Matsya Industrial Area, Alwar, Rajasthan; iv) First pari-passu charge on block assets of the Company other than financed by IOB; and v) First pari-passu charge on additional residential property at plot no. 3041, HUDA Sector -46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company
- (iv) **Guarantee:** Personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.
- (v) The term loan-I were repayable in 22 (twenty two) unequal instalments commencing from 1.04.2017. The Company availed moratorium in payment of instalments on this term loan on account of Covid-19 pandemic in terms of announcement made by Reserve Bank of India. Accordingly, details of instalments payable earlier and as rescheduled are as under:

(a) As earlier payable

Financial Year	Number of instalments	Quarterly instalment (Rs.)	Total Rs.
April 1, 2017 to March 31, 2020	12	30,000,000	360,000,000
April 1, 2020 to March 31, 2021	4	32,500,000	130,000,000
April 1, 2021 to March 31, 2022	4	35,000,000	140,000,000
April 1, 2022 to June 30, 2022	1	41,400,000	41,400,000
July 1, 2022 to Sept 30, 2022	1	36,400,000	36,400,000
			707,800,000

(b) As rescheduled:

Financial Year	Number of instalments	Quarterly instalment (Rs.)	Total Rs.
April 1, 2017 to March 31, 2020	12	30,000,000	360,000,000
April 1, 2020 to September 30, 2020	-	-	-
October 1, 2020 to September 30, 2021	4	32,500,000	130,000,000
October 1, 2021 to September 30, 2022	4	35,000,000	140,000,000
October 1, 2022 to December 31, 2022	1	41,400,000	41,400,000
January 1, 2023 to March 31, 2023	1	36,400,000	36,400,000
			707,800,000

- (vi) Current maturities of long term debts in respect of term loan -I is Rs. 13,50,00,000 (Rs. 8,50,00,000) has been separately disclosed under "Other Current Liabilities" (Refer Note No. 10).
- (vii) The Company has not made any default as at the reporting date.



B) Term loan-II from IOB

- (i) Term loan-II of Rs. Nil (Rs. 12,010,171) for expansion of SMS project was repayable in 14 (fourteen) equal quarterly instalments (balance Nil instalments) commenced from April 1, 2017 of Rs. 7,000,000 with last instalment, i.e., 14th instalment being Rs. 4,900,000 after moratorium period of 32 (thirty two) months. Interest on aforesaid term loan-II were serviced on monthly basis as and when charged to the account.

The Company availed moratorium in payment of instalments on this term loan on account of Covid-19 pandemic in terms of announcement made by Reserve Bank of India on 27.03.2020 and 23.05.2020.

- (ii) **Primary security:** The aforesaid term loan -II is secured by way of hypothecation of plant and machinery installed at the existing unit situated at 2, SPL, MIA, Alwar, Rajasthan, and first charge on fixed assets of the Company.
- (iii) **Collateral security:** i) First pari-passu charge on leasehold factory land and building at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; ii) Second charge on plant and machinery at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; iii) Second charge on factory building and plant and machinery at Plot No. 5, Matsya Industrial Area, Alwar, Rajasthan; iv) First pari-passu charge on block assets of the Company other than financed by IOB; and v) First pari-passu charge on additional residential property at plot no. 3041, HUDA Sector -46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company
- (iv) **Guarantee:** Personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company and Mr. Anubhav Kathuria, a director of the Company.
- (v) Current maturities of long term debts in respect of term loan -II is Rs. Nil (Rs. 11,900,000) has been separately disclosed under "Other Current Liabilities" (Refer Note No. 10).
- (vi) The Company has not made any default as at the reporting date.

C) WCTL under GECL from IOB

- (i) Working Capital Term Loan under Guaranteed Emergency Credit Line of Rs. 12,80,00,000 sanctioned for working capital purpose out of which Rs. 2,00,00,000 (Rs. Nil) availed by the Company is repayable in 48 (fourty eight) equal monthly instalments (balance 48 instalments) commencing from February , 2022 of Rs. 26,66,666.67 after holiday period of 12 months. Interest on aforesaid WCTL were serviced on monthly basis as and when charged to the account.
- (ii) **Primary security:** This WCTL under GECL is secured by way of hypothecation of plant and machinery installed at the existing unit situated at 2, SPL, MIA, Alwar, Rajasthan, and first charge on fixed assets of the Company.
- (iii) **Collateral security:** i) First pari-passu charge on leasehold factory land and building at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; ii) Second charge on plant and machinery at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; iii) Second charge on factory building and plant and machinery at Plot No. 5, Matsya Industrial Area, Alwar, Rajasthan; iv) First pari-passu charge on block assets of the Company other than financed by IOB; and v) First pari-passu charge on additional residential property at plot no. 3041, HUDA Sector -46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company
- (iv) **Guarantee:** Personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company and Mr. Anubhav Kathuria, a director of the Company.
- (v) Current maturities of long term debts in respect of WCTL is Rs. 53,33,333 (Rs. Nil) has been separately disclosed under "Other Current Liabilities" (Refer Note No. 10).
- (vi) The Company has not made any default as at the reporting date.

D) UCECL Term Loan from UCO Bank

- (i) UCO Covid-19 Emergency Credit Line (UCECL) of Rs. 4,00,00,000 to meet the temporary liquidity mismatch and cash flow problems availed by the Company is repayable in 24 (twenty four) monthly instalments (balance 20 instalments) commenced from December, 2020 of Rs. 23,62,875 after holiday period of 6 months. Interest on aforesaid UCECL were serviced on monthly basis as and when charged to the account.
- (ii) **Primary Security:** Extention of charges on (i) first pari passu charge with IOB on all current assets including hypothecation of stocks of raw material, work in progress, finished goods and spares, and receivables upto 90 (ninety) days.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

- (iii) **Collateral security:** Extention of charges on i) second charge on leasehold factory land with building situated at new unit at 5, MIA, Alwar, Rajasthan; ii) hypothecation of plant and machinery at the new unit situated at 5, SPL MIA, Alwar, Rajasthan; iii) first pari passu charge with IOB on leasehold factory land and building at 2-MIA, Alwar, Rajasthan; iv) first pari passu charge with IOB on hypothecation of plant and machinery and other block of assets of the Company; v) second charge on plant and machinery exclusively charged to IOB; and vi) first pari passu charge with IOB on additional residential property at plot no. 3041, HUDA Sector - 46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company.
- (iv) **Guarantee:** Extention of personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.
- (v) Current maturities of long term debts in respect of UCECL is Rs. 2,83,54,500 (Rs. Nil) has been separately disclosed under "Other Current Liabilities" (Refer Note No. 10).
- (vi) The Company has not made any default as at the reporting date.

E) Maturity Profile of secured loans is set out below:

	Maturity profile		Non-current	Current
	6-10 years	2-5 years	Total	One year
	Rs.	Rs.	Rs.	Rs.
Loans from banks	-	162,083,584	162,083,584	140,333,334

F) Long term borrowings (unsecured)

Long term borrowings represent non-interest bearing unsecured loans obtained from related party and other, which loans are repayable wherever stipulated and mutually agreed.

6 DEFERRED TAX LIABILITIES (NET)

	As at April 1, 2020	(Charged)/credited to Statement of Profit and Loss	As at March 31, 2021
	Rs.	Rs.	Rs.
i) Deferred tax assets			
Gratuity	6,168,320	2,103,762	8,272,082
Leave encashment	1,567,158	265,522	1,832,680
Share issue expenses	34,846	(16,549)	18,297
	7,770,324	2,352,735	10,123,059
ii) Deferred tax liability			
Property, plant and equipments	220,572,309	(8,233,468)	228,805,777
	220,572,309	(8,233,468)	228,805,777
Net deferred tax assets/(liabilities); (i)-(ii)	(212,801,985)	(5,880,733)	(218,682,718)

- (a) In accordance with the provisions of the Accounting Standard-22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax assets of Rs. 10,123,059 (Rs. 7,770,324) and deferred tax liabilities of Rs. 228,805,777 (Rs. 220,572,309) as at March 31, 2021.
- (b) The net deferred tax liability/(assets) amounting to Rs. 5,880,733 (Rs. 15,928,648) for the year has been recognised in the Statement of Profit and Loss.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021 Rs.	March 31, 2020 Rs.
7 LONG TERM PROVISIONS		
Provision for employee benefits:		
Gratuity (Unfunded)	21,905,971	15,733,233
Leave encashment (Unfunded)	4,596,592	3,991,285
	26,502,563	19,724,518
8 SHORT TERM BORROWINGS		
Secured		
Loans repayable on demand:		
From Indian Overseas Bank (IOB)		
Cash credit facilities^	400,000,000	344,197,090
From UCO Bank		
Cash credit facilities^^	400,000,000	358,267,022
From HDFC Bank		
Cash credit facilities	387,690,953	-
	1,187,690,953	702,464,112

Notes:**A) Cash Credit facilities from IOB**

Primary Security: Working capital facilities, fund based, are secured against, (i) first pari passu charge on entire current assets of the Company; ii) hypothecation of stocks of raw material, work in progress, finished goods and spares, and receivables upto 90 (ninety) days.

Collateral security: The aforesaid cash credit facilities, letter of credit and buyer's credit facilities from IOB are further collaterally secured by, i) First pari-passu charge on leasehold factory land and building at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; ii) Second charge on plant and machinery at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; iii) Second charge on factory building and plant and machinery at Plot No. 5, Matsya Industrial Area, Alwar, Rajasthan; iv) First pari-passu charge on block assets of the Company other than financed by IOB; and v) First pari-passu charge on additional residential property at plot no. 3041, HUDA Sector -46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company

Guarantee: The aforesaid cash credit facilities, letter of credit and buyer's credit facilities from IOB are also secured by personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.

^ The balance in Bank Borrowings Account as at 31.03.2021 to the extent it exceeds the sanctioned limit is accounted as Book Overdraft.

B) Cash Credit facilities from UCO Bank

Primary Security: Working capital facilities, fund based, are secured against, (i) first pari passu charge with IOB on all current assets including hypothecation of stocks of raw material, work in progress, finished goods and spares, and receivables upto 90 (ninety) days.

Collateral Security: The aforesaid credit facility from UCO Bank is collaterally secured by way of i) second charge on leasehold factory land with building situated at new unit at 5, MIA, Alwar, Rajasthan; ii) hypothecation of plant and machinery at the new unit situated at 5, SPL MIA, Alwar, Rajasthan; iii) first pari passu charge with IOB on leasehold factory land and building at 2-MIA, Alwar, Rajasthan; iv) first pari passu charge with IOB on hypothecation of plant and machinery and other block of assets of the Company; v) second charge on plant and machinery exclusively charged to IOB; and vi) first pari passu charge with IOB on additional residential property at plot no. 3041, HUDA Sector - 46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company.

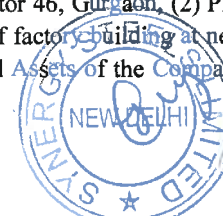
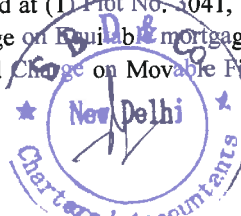
Guarantee: The aforesaid cash credit facilities from UCO Bank are also secured by personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.

The Company has not made any default in payment of interest or repayment of principal as at the reporting date in respect of aforesaid working capital facilities both fund and non-fund based.

^^ The balance in Bank Borrowings Account as at 31.03.2021 to the extent it exceeds the sanctioned limit is accounted as Book Overdraft.

C) Cash Credit facilities from HDFC Bank

Primary Security: Cash Credit Facility, fund based, are secured against, (i) first pari passu charge on entire current assets of the Company both present and future; ii) first pari pasu charge on Property located at (1) Plot No. 3041, Sector 46, Gurgaon, (2) Plot No. 2, Matsya Industrial Area (MIE), Distt. Alwar (Rajasthan) (iii) 2nd Charge on Equitable mortgage of factory building at new unit at 5 SPL MIA Alwar, Rajsthan and first charge on fixed assets. (iv) 2nd Charge on Movable Fixed Assets of the Company both present and future.



Guarantee: The aforesaid cash credit facilities from HDFC Bank are also secured by personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.

The Company has not made any default in payment of interest or repayment of principal as at the reporting date in respect of aforesaid working capital facilities both fund and non-fund based.

The Company has also availed following non-fund based credits:

D) Foreign letter of credits & Buyers Credits from IOB.

Prime Security: Letter of credit & Buyer's credit, both inland and foreign, is secured against accepted hundies/documents of title to goods procured under letter of credit and extension of charge on current assets.

Collateral security: The aforesaid letter of credit and buyer's credit facilities from IOB are further collaterally secured by, i) First pari-passu charge on leasehold factory land and building at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; ii) Second charge on plant and machinery at Plot No. 2, Matsya Industrial Area, Alwar, Rajasthan; iii) Second charge on factory building and plant and machinery at Plot No. 5, Matsya Industrial Area, Alwar, Rajasthan; iv) First pari-paasu charge on block assets of the Company other than financed by IOB; and v) First pari-passu charge on additional residential property at plot no. 3041, HUDA Sector -46, Gurugram, Haryana, owned by Mr. Subhash Chander Kathuria, Managing Director of the Company.

Guarantee: The aforesaid letter of credit and buyer's credit facilities from IOB are also secured by personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.

Accepted and endorsed Bills

Foreign letter of credits of Rs. Nil (288,761,398) are accepted and endorsed as on Balance sheet date.

Buyer's credits of Rs. 505,087,747 (Rs. 164,753,471) are accepted and endorsed as on Balance sheet date.

E) Foreign Letter of Credit from HDFC Bank

Primary Security: Foreign Letter of Credit, Non-fund based, are secured against, (i) first pari passu charge on entire current assets of the Company both present and future; ii) first pari pasu charge on Property located at (1) Plot No. 3041, Sector 46, Gurgaon, (2) Plot No. 2, Matsya Industrial Area (MIE), Distt. Alwar (Rajasthan) (iii) 2nd Charge on Equitable mortgage of factory building at new unit at 5 SPL MIA Alwar, Rajsthan and first charge on fixed assets. (iv) 2nd Charge on Movable Fixed Assets of the Company both present and future.

Guarantee: The aforesaid Foreign Letter of Credit facility from HDFC Bank are also secured by personal guarantees of Mr. Subhash Chander Kathuria, Managing Director of the Company, and Mr. Anubhav Kathuria, a director of the Company.

Accepted and endorsed Bills

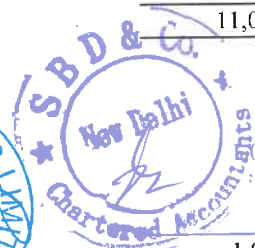
Foreign letter of credits of Rs. 95,999,156 (Nil) are accepted and endorsed as on Balance sheet date.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021	March 31, 2020
	Rs.	Rs.
9 TRADE PAYABLES		
For raw materials	1,39,97,39,090	1,11,77,86,308
For stores and consumables	7,14,97,986	7,85,46,544
<i>(Refer Note 35)</i>	<u>1,47,12,37,076</u>	<u>1,19,63,32,852</u>
10 OTHER CURRENT LIABILITIES		
Current maturities of long term debts	16,86,87,834	9,69,01,304
Interest accrued and due on borrowings	23,21,071	34,69,830
Others		
Advances from customers	1,77,56,426	1,48,56,983
Duties and taxes payable	22,49,21,722	14,30,03,202
Employees salary and other benefits payable	2,20,40,136	1,82,68,285
Creditors for capital goods	1,93,36,502	2,27,12,957
Electricity and power payable	3,53,55,797	1,41,52,618
Book overdraft	4,65,45,989	63,79,361
Others payables	12,52,56,166	6,53,75,972
	<u>66,22,21,643</u>	<u>38,51,20,510</u>
11 SHORT TERM PROVISIONS		
Provision for employee benefits		
Gratuity (Unfunded)	17,66,426	19,18,781
Leave encashment (Unfunded)	6,48,029	4,93,486
Others		
Income tax (Net off of taxes paid and MAT utilised)	3,19,62,885	3,10,29,486
	<u>3,43,77,341</u>	<u>3,34,41,753</u>
13 CAPITAL WORK-IN-PROGRESS		
Wire Rod Mill project	16,37,30,257	6,31,04,311
Slag Processing Unit	1,71,09,583	-
Pollution Control Equipment	1,52,07,498	-
Caster upgradation Project	88,40,349	-
Steel Melting Shop project	26,22,43,445	21,44,37,597
Rolling Mills	20,70,585	-
ERP Software	62,28,019	21,12,153
	<u>47,54,29,736</u>	<u>27,96,54,061</u>
14 NON CURRENT INVESTMENTS		
Non trade investments (valued at cost)		
In metals	30,38,168	30,38,168
	<u>30,38,168</u>	<u>30,38,168</u>
15 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital advances	2,53,67,322	2,74,99,568
Security deposits	7,24,31,703	8,20,27,633
Others		
Duties and taxes	1,16,68,173	1,30,11,955
Advances to suppliers and service providers	9,26,120	11,09,629
Interest subsidy recoverable	4,42,175	4,42,175
	<u>11,08,35,494</u>	<u>12,40,90,960</u>
16 OTHER NON CURRENT ASSETS		
(Unsecured, considered good)		
Long term trade receivables	82,15,850	87,24,909
Others		
Advances to employees	4,25,000	8,60,000
	<u>1,06,40,850</u>	<u>95,84,909</u>



12. Property, Plant and Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2020	Additions during the year	Sales/ Adjustment during the year	As at March 31, 2021	Upto March 31, 2020	During the year	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
PARTICULARS										
Tangible Assets:										
Leasehold land	7,57,52,501			7,57,52,501	1,40,38,690	10,78,943	1,51,17,633	6,06,34,868	6,17,13,811	
Factory Land & building	26,61,55,562			26,61,55,562	8,20,25,014	1,00,90,065	9,21,15,079	17,40,40,483	18,41,30,548	
Plant and machinery	1,44,04,56,296	1,13,11,132		1,45,17,67,428	49,68,60,296	6,20,25,621	55,88,85,917	89,28,81,511	94,35,96,000	
Furnaces	26,90,46,705	71,80,317		27,62,27,022	8,82,43,683	1,56,04,236	10,38,47,919	17,23,79,102	18,08,03,022	
Office equipment	1,47,20,976	15,35,503		1,62,56,479	1,05,53,457	22,56,256	1,28,09,713	34,46,767	41,67,520	
Electrical equipment	45,53,558			45,53,558	36,32,393	2,34,615	38,67,008	6,86,550	9,21,165	
Laboratory equipment	68,83,605	60,60,481		1,29,44,086	62,51,789	4,75,203	67,26,992	62,17,094	6,31,816	
Pollution control equipment	11,16,24,910			11,16,24,910	4,26,25,219	1,43,69,735	5,69,94,954	5,46,29,956	6,89,99,691	
Furniture and fixtures	3,08,86,792	29,56,523		3,38,43,315	1,43,72,340	44,62,870	1,88,35,210	1,50,08,105	1,65,14,452	
Vehicles	7,70,20,461	51,13,474	91,808	8,20,42,127	6,30,30,533	45,80,688	6,76,11,221	1,44,30,905	1,39,89,927	
Bicycle	1,460		1,460	1,460	1,353	-	1,353	107	107	
Earth moving equipment	52,64,417			52,64,417	18,99,778	3,55,306	22,55,084	30,09,333	33,64,639	
Air conditioner	77,03,719	5,35,382		82,39,101	37,69,838	7,66,189	45,36,027	37,03,074	39,33,881	
Generator	38,62,819			38,62,819	33,19,424	1,45,596	34,65,020	3,97,799	5,43,395	
Computers	79,08,168	23,35,748		1,02,43,916	63,58,739	15,20,539	78,79,278	23,64,638	15,49,429	
Total	2,32,18,41,949	3,70,28,560	91,808	2,35,87,78,701	83,69,82,549	11,79,65,862	95,49,48,411	1,40,38,30,290	1,48,48,59,400	
Previous year	2,21,97,29,321	10,21,99,628	87,000	2,32,18,41,949	72,94,29,292	10,75,53,257	83,69,82,549	1,48,48,59,400	1,49,03,00,029	

Depreciation on Property, plant and equipment for the year of Rs. 118,082,507 includes depreciation of Rs. 3,942,932 on revalued assets, which are debited to Revaluation Reserve created by the Company at the time of Revaluation of its assets. Depreciation for the year net of depreciation on revalued assets of Rs. 114,139,575 has been charged to Statement of Profit and Loss. Refer Note No. 4(b) and 32.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

12A. Intangible Assets

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2020	Additions during the year	Sales/ Adjustment during the year	As at March 31, 2021	Upto March 31, 2020	During the year	Upto March 31, 2021	As at March 31, 2021	As at March 31, 2020	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
PARTICULARS										
Intangible Assets:										
SAP-Software		48,18,730		48,18,730	-	4,81,872		43,36,858		



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021 Rs.	March 31, 2020 Rs.
17 INVENTORIES		
(As taken, valued and certified by management)		
Raw materials	543,248,092	601,042,278
Material in transit	131,239,257	57,236,708
Stores and supplies	62,309,636	75,835,685
Finished goods	1,028,614,835	922,082,472
Scum/skim, etc.	48,753,385	31,680,900
	<u>1,814,165,205</u>	<u>1,687,878,042</u>
18 TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they became due for payment	52,607,200	2,400,804
Outstanding for a period less than 6 months from the date they became due for payment	1,407,893,814	878,269,375
	<u>1,460,501,014</u>	<u>880,670,179</u>
Less: Trade receivables written off	-	-
	<u>1,460,501,014</u>	<u>880,670,179</u>
19 CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with Banks in current accounts	19,544,094	44,077,834
Cash on hand	3,249,792	2,083,032
	<u>22,793,886</u>	<u>46,160,866</u>
Other bank balances		
Deposits with Bank having maturity of more than 3 months (Held as margin money deposits against letter of credit and bank guarantee)	73,966,889	47,776,586
	<u>96,760,774</u>	<u>93,937,452</u>
20 SHORT TERM LOAN AND ADVANCES		
(Unsecured, considered good)		
MAT credit entitlement	-	60,615,446
Advances to suppliers	257,139,356	78,056,588
Advances to service providers	4,380,385	1,670,449
Advance to employees	5,797,729	4,834,901
Security deposits	10,645,240	9,536,240
Dues recoverable from Government Authorities	38,869,056	25,350,624
Advances recoverable in cash or in kind	66,352,612	54,794,960
	<u>383,184,378</u>	<u>234,859,208</u>
21 OTHER CURRENT ASSETS		
Prepaid expenses	4,861,641	3,885,971
Electricity duty recoverable	71,604,566	71,604,566
Subsidy & incentive under RIPS recoverable	163,000,975	41,686,974
Duty drawback	3,926,838	1,360,731
	<u>243,394,020</u>	<u>118,538,242</u>



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021	March 31, 2020
	Rs.	Rs.
22 REVENUE FROM OPERATIONS		
Domestic Sales		
Flats	1,441,926,870	2,416,822,491
Wire rod	11,588,603,846	11,063,970,422
Sale of scum/skim	13,859,793	10,726,866
Export Sales		
Wire rod	1,868,350,073	1,084,037,920
	<u>14,912,740,582</u>	<u>14,575,557,699</u>
23 OTHER INCOME		
Other operating income		
Interest income:		
- Fixed deposits	3,476,838	3,088,769
- Others	8,751,588	13,325,125
Export benefits received	52,201,429	16,289,267
Subsidy & incentive received	148,915,670	41,686,974
Quality claims received	8,662,013	5,579,492
Other non-operating income		
Gain on foreign exchange fluctuation	17,227,596	10,424,900
Discount received	-	1,830,201
Insurance claim received	3,469,810	1,958,352
Other income	1,644,628	1,022,180
	<u>244,349,572</u>	<u>95,205,261</u>
24 COST OF MATERIALS CONSUMED		
Raw materials as at beginning of the year	658,278,987	592,116,629
Add: Purchases during the year	10,379,567,061	10,129,919,308
	(a) <u>11,037,846,048</u>	<u>10,722,035,937</u>
Raw materials as at the end of the year	(b) <u>674,487,350</u>	<u>658,278,986</u>
Cost of raw materials consumed	(a-b) <u>10,363,358,699</u>	<u>10,063,756,951</u>
25 MANUFACTURING COSTS		
Stores and spares consumed	354,151,708	328,758,334
Electricity and power	774,476,492	904,709,311
Factory salary, wages and allowances	78,397,204	74,460,424
Labour charges	124,887,389	112,494,833
Job work charges	69,352,705	63,055,657
Others		
Loading unloading, weighment and other charges	17,420,560	8,346,468
Others	1,436,609	920,263
	<u>1,420,122,666</u>	<u>1,492,745,290</u>
26 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Inventories as at beginning of the year		
Finished goods	922,082,472	824,650,731
Scum/skim, etc.	31,680,900	14,573,000
	(a) <u>953,763,372</u>	<u>839,223,731</u>
Inventories as at the end of the year		
Finished goods	1,028,614,835	922,082,472
Scum/skim, etc.	48,753,385	31,680,900
	(b) <u>1,077,368,220</u>	<u>953,763,372</u>
(Increase)/decrease in inventories	(a-b) <u>(123,604,848)</u>	<u>(114,539,640)</u>



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended on March 31, 2021

	March 31, 2021 Rs.	March 31, 2020 Rs.
27 EMPLOYEES BENEFITS EXPENSE		
Salary, bonus and allowances	124,057,222	114,757,234
Contribution to provident and other funds	7,065,632	7,282,092
Staff welfare	3,507,544	3,458,705
Gratuity	7,757,857	7,321,449
Leave encashment	1,221,445	1,688,621
	<u>143,609,700</u>	<u>134,508,101</u>
28 FINANCE COSTS		
Interest on		
Term loans	42,790,641	47,885,838
Working capital borrowings	78,649,701	59,642,094
Letter of credits	3,749,578	430,470
Others		
Processing charges	7,237,500	10,254,709
Bank charges	12,678,639	10,547,512
Other interest	-	7,536,529
	<u>145,106,059</u>	<u>136,297,151</u>
29 OTHER EXPENSES		
Advertisement and promotion	22,326,314	57,951,007
Events and exhibition	-	38,399,687
Rent	26,818,195	25,822,581
Commission	81,954,768	25,671,889
Legal and professional	19,147,687	15,972,350
Freight outward	42,679,323	16,900,406
Travelling and conveyance	17,286,381	21,841,663
Fees, rates and taxes	337,082	1,846,089
Repairs and maintenance		
Plant and machinery	11,305,392	9,324,931
Vehicles	18,882,892	18,125,201
General	4,361,081	5,340,488
Computer	482,878	324,184
Security expenses	18,136,775	15,536,392
Delivered duty unpaid charges	16,072,174	6,043,944
Office maintenance	5,510,105	5,838,950
Membership fee	344,267	587,348
Communication	2,152,047	1,699,613
Payment to auditors		
As Audit fees	785,000	535,000
Other Services	235,000	-
Insurance	11,900,927	9,816,748
Discount	80,921,221	220,512
Printing and stationery	1,161,749	1,442,357
Recruitment expenses	791,499	1,093,429
CSR expenditure	9,926,000	553,245
Miscellaneous	33,791,231	15,807,097
	<u>427,309,988</u>	<u>296,695,111</u>
Payment to Statutory Auditors		
Particulars		
Statutory audit fee	685,000	435,000
Tax audit fee	100,000	100,000
Other Services	235,000	-
Total fee	<u>1,020,000</u>	<u>535,000</u>



1 CORPORATE INFORMATION

Synergy Steels Limited was incorporated in 1973 under the Companies Act, 1956. The Company manufactures SS Billets, flats, heavy casting products and wire rods at its plants situated at 2 Matsya Industrial Area (MIA), Alwar, Rajasthan and 5 SPL, Matsya Industrial Area (MIA), Alwar, Rajasthan. The Company has Stainless Steel melting capacity of 155,000 M.T. per annum at 2 MIA, Alwar, Rajasthan and Stainless Steel Wire Rod manufacturing capacity of 120,000 M.T. per annum. The installed Plant is a continuous process using latest modern technology available for making high quality products.

2 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards as notified under section 133 of the Companies Act, 2013, read with Rule 7 of [Companies (Accounts) Rules, 2014], and other relevant provisions of Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The management evaluates all recently issued or revised accounting standards on an ongoing basis.

b) USE OF ESTIMATES

The preparation of financial statements in conformity with the generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, the company may undertake in future, the actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) PROPERTY, PLANT AND EQUIPMENTS, CAPITAL WORK IN PROGRESS AND CAPITAL ADVANCES

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to the acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

Plant and machinery, leasehold land and other assets were revalued as at March 15, 2007. Accordingly, those assets are stated at revalued amounts. The resultant increase on revaluation was credited to Revaluation Reserve. Depreciation on revalued portion of property, plant and equipment has been charged against the Revaluation Reserve.

Depreciation on factory building, plant and machinery and furnaces is charged in accordance with useful life of the assets on straight line method at rates prescribed in Part 'C' of Schedule II of the Companies Act, 2013. Other assets are depreciated in accordance with their useful life on written down method at rates prescribed in Part 'C' of Schedule II of the Companies Act, 2013. Depreciation on assets purchased during the year is provided pro-rata to the period such asset was put to use during the year.

Depreciation on revalued amount of property, plant and equipment is charged on the straight line method except laboratory equipment on which depreciation has been charged on written down value method over the useful life of the assets at rates prescribed in Part 'C' of Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss in the year the asset is de-recognized.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as "Capital Advances" under Long Term Loans and Advances and cost of property, plant and equipment not yet ready for their intended use as at the reporting date are disclosed under "Capital Work in Progress".



Interest on borrowed money allocated to and utilised for property, plant and equipment, pertaining to the period upto the date of capitalisation is capitalised. Assets acquired on hire purchase are capitalised at the gross value and interest thereon is charged to the Statement of Profit and Loss.

d) IMPAIRMENT OF ASSETS

At each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:

(a) the provision for impairment loss, if any required or

(b) the reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

(a) in the case of an individual asset, at the higher of the net selling price and the value in use.

(b) in the case of a cash generating unit (a group of assets that generates identified independent cash flows) at the higher of the cash generating unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

e) INVESTMENTS

Investments are stated at cost. Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are stated at cost less provision for diminution in the value of such investments, if such diminution is of permanent nature. Investments other than long term investments being current investments are valued at lower of cost and fair value, computed separately in respect of each category of investment.

f) INVENTORIES

Inventories are valued as follows:

Raw materials including material in transit, stores and spares are valued at cost; Cost being ascertained on basis of first in first out basis.

Finished goods including work-in-process are valued at lower of direct cost of production (inclusive of excise duty paid/payable thereon) or net realisable value. Cost includes direct material and labour and a proportion of manufacturing overheads based on normal operation capacities. Excise duty payable on finished goods has been included in the value of finished goods inventory. Net market value is the estimated selling price in the ordinary course of business.

Skum/skim, etc. and similar goods, generated in production process, are valued at net realisable value.

g) REVENUE RECOGNITION

Revenue from sale of products is recognized when risk and reward of ownership of the products are transferred to the customers and the Company retains no effective control of the goods to a degree usually associated with ownership, which are generally on dispatch/delivery of the goods and no significant un-certainty exists regarding the amount of consideration that will be derived from the sale of goods. Sales are stated at net of discounts, returns and recoverable taxes and inclusive of excise duty.

Interest income is recognized on time proportion basis considering the amount outstanding and the applicable interest rate.

Revenue from arbitration award and claims made by the Company is recognised in the year in which there is no uncertainty as to its ultimate collection.

Government benefits are accounted for in the year in which application is filed by the Company for such benefits.

Export incentive are accounted for on accrual basis.

h) BORROWING COST

Borrowing costs attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, upto the date when the assets are ready for their intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.



i) EMPLOYEE BENEFITS**i. Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries, wages and short term compensated absence, etc. and the expected cost of ex-gratia is recognized in the period in which the employee renders the related services.

ii. Post Employment Benefits:

(a) **Defined Benefit Plans:** The Company's Gratuity and Leave encashment schemes are defined benefit plans. In accordance with the requirements of revised Accounting Standard-15 "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an independent actuary using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans is based on the market yields on Government securities as at the Balance Sheet date.

The liability is un-funded. Actuarial gains and losses arising from changes in the actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

Leave encashment benefits payable to employees of the Company with respect to accumulated leave outstanding at the year end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date.

(b) Defined Contribution Plans:

Contributions payable by the Company to the concerned government authorities in respect of provident fund, family pension fund and employees state insurance are defined contribution plans. The contributions are recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. The Company does not have any further obligation in this respect, beyond such contribution.

Other employee benefits are accounted for on accrual basis.

j) FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the rates prevailing on the date of the transaction. Monetary items denominated in foreign currency are restated at the rate prevailing on the Balance Sheet date except in cases where actual amount has been ascertained by the time of finalization of accounts.

Exchange differences arising on the translation or settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recorded in exchange fluctuation account and recognized as income or expense in the year in which they arise.

k) TAXES ON INCOME

The accounting treatment followed for taxes on income is to provide for current tax and deferred tax. Provision for current income tax is made for the tax liability payable on taxable income ascertained in accordance with the applicable tax rates and laws.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognised in the Statement of Profit and Loss in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in Statement of Profit and Loss in the year of change.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized by way of future taxable income. Deferred tax assets related to unabsorbed depreciation and carry forward losses are recognised only to the extent that there is virtual certainty of realisation. Deferred tax assets are reviewed for appropriateness of their carrying amounts at each Balance Sheet date.

The credits arising from 'Minimum Alternate Tax' paid are recognised as receivable only if there is virtual certainty that the Company will have sufficient taxable income in future years in order to utilize such credits.



l) CASH AND CASH EQUIVALENTS

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

m) CASH FLOW STATEMENT

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

n) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

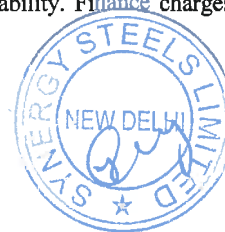
A provision is recognized for a present obligation as result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. Re-imburement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the re-imburement will be received. Contingent liabilities is disclosed in the notes in case of a present obligation arising from a past event when it is not probable that an outflow of resources will be required to settle the obligation. Contingent assets are neither recognized nor disclosed in the financial statements. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

o) EARNINGS PER SHARE

In determining earnings per share, the Company considers the net profit after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

p) LEASES OBTAINED

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on straight line basis over the lease term. Finance lease which effectively transfer to the Company substantial risk and benefits incidental to ownership of the leased items, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.



30 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
(A) Contingent liabilities (to the extent not provided for)		
(i) Claims against the Company not acknowledged as debts:		
The appeal of the Company and the appeal of the Director of the Company filed before the Customs, Excise and Service tax Appellate Tribunal, New Delhi, against demand order of Rs. 27,344,980, including penalty issued by the Commissioner, Central Excise, Alwar, Rajasthan, have been decided by the appellate tribunal in favour of the Company and the Director and the demand has been dropped against the Company and the directors and also penalty imposed against the directors have been quashed. The Company has received the refund of Rs. 5,313,060 including interest on 05.05.2020. The same are accounted for in the year of receipt i.e financial year 2020-21. However department has filed an appeal in Hon'ble Supreme Court of India against the order passed by Hon'ble High court.	27,344,980	27,344,980
(ii) Letter of guarantees established by Banks favouring customers against performance guarantees and advance received from customers [Against the above, the Bank is holding fixed deposits of Rs. 73,966,889 (Rs. 47,776,586) as margin; the deposit forms part of 'Cash and Bank Balances' (Refer note no. 19 to the financial statements)]	6,795,945	482,105
(B) Commitments		
a) Capital commitments (net of advances) and not provided for	85,672,000	30,778,635



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

- 31 The Company availed input credit of VAT outstanding as on 30.06.2017 of Rs. 37,195,371/- as input under Goods and Service Tax under transitional provisions by filing Form GST TRAN-1 on 26.08.2017. The Company after replying to the Show Cause Notice issued by the relevant Authority seeking record of credit and refund of inadmissible input, has challenged the said notice in a Writ Petition bearing Civil Writ No. 5015/2019 before the Hon'ble High Court of Judicature for Rajasthan at Jaipur. The Hon'ble High Court was pleased to direct that final order may not be passed by the Authority on the Show Cause Notice and held that prima facie the impugned Show Cause Notice is beyond the jurisdiction of the issuing authority under the Rajasthan Goods and Service Tax, 2017.
- 32 The Company's plant & machinery, leasehold land and other fixed assets were revalued as at March 15, 2007 at a value of Rs. 285,411,193 on the basis of valuation report obtained by the Company. Accordingly, these assets have been restated with the incremental amount over their written down value and the same was correspondingly transferred to Revaluation Reserve Account. During the year, depreciation of Rs. 3,942,932 (Rs.3,946,991) pertaining to revalued portion of fixed assets has been charged to Revaluation Reserve arising on revaluation of assets.
- 33 The disclosure in accordance with Guidance Note issued by the Institute of Chartered Accountants of India on 'Accounting for Expenditure on Corporate Social Responsibility' (CSR):

Activity read with Section 135 of the Companies Act, 2013, and Schedule VII thereof is as under:

Particulars of CSR activity	Gross amount required to be spent during the year (Rs.)	Amount spent (Rs.)	CSR pending disbursement as at March 31, 2021 (Rs.)
a) Donation to Sum Drishti Education Society of Rs. 89,00,000. The Society is doing its part in providing education and vocational skill to women to enhance the women empowerment and independence. b) Donation to International Society of Krishna Consciousness of Rs. 7,01,000 : The trust is doing its part to combat world hunger by providing free meals to the needy. c) Donation to Earth Saviours Foundation of Rs. 2,00,000/- who utilize the fund in serving less privileged people and making every possible effort to protect the environment. (d) Donation to Ramkrishna Mission, Jaipur of Rs. 1,25,000/- who utilize the funds in carrying out medical, relief and educational programs.	5,667,962 (4,787,708)	9,926,000 (553,245)	- (4,234,463)

Note: The Company has completed shortfall of Rs. 42,34,463 in CSR expenditure of FY 2019-20 in FY 2020-21 due to spread of Covid-19 and nation wise lockdown in March 2020.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

34 Segment reporting

i) Information about Business Segment

The Company operates in Single Business Segment i.e. Stainless Steel Products and therefore the Company considered Business Segment as Secondary Segment.

ii) Information about Geographical Segment

The Company operates in two Geographical Segments i.e. within India and Outside India and Geographical Segment has been considered as Primary Segment.

Particulars	March 31, 2021		
	Within India	Outside India	Total
Segment Revenue			
Total Revenue	11,030,621,055	1,583,347,519	12,613,968,575
Less: Inter Segment Sales	-	-	-
External Sales (Net of GST)	11,030,621,055	1,583,347,519	12,613,968,575
Segment Results			
Segment Results before unallocated Corporate Expenses	647,334,744	27,157,356	674,492,100
Less: Unallocated Corporate Expenses			173,703,386
Segment Results before Interest and Taxes			500,788,714
Less: Finance Cost			145,106,059
Add: Interest Income			12,228,426
Profit Before tax and Exceptional Items			367,911,081
Add/Less: Exceptional Items			
Profit Before tax			127,723,571
Less: Current Tax			5,880,733
Add/Less: Deferred Tax			
Profit after tax			234,306,777
Other Information			
Segment Assets	5,475,009,965	449,322,732	5,924,332,697
Unallocated Corporate Assets	-	-	81,784,090
Total Assets			6,006,116,787
Segment Liabilities	1,939,971,192	-	1,939,971,192
Unallocated Corporate Liabilities			1,830,573,777
Total Liabilities			3,770,544,969
Capital expenditure incurred during the year			237,141,093
Depreciation and Amortisation during the year			114,504,802



35 A sum of Rs. 14,856,217 (Rs. 12,544,470) is payable to Micro and Small Enterprises as at 31st March, 2021 which is on account of trade payables. There are Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 30 days as at 31st March, 2021. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

S.No.	Particulars	March 31, 2021
(i)	Principal amount remaining unpaid to suppliers (Including not due for more than 30 days)	14,856,217
(ii)	Interest due thereon remaining unpaid in FY 2020-21 to supplier and not provided at the end of the year	210,749

36 The Company's significant leasing arrangements are in respect of operating leases for office and residential premises. These leasing arrangements are not non-cancellable and of 3 years, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals paid/payable are charged as 'Rent' to the Statement of Profit and Loss (Refer Note No. 29).

37 Rajasthan Industrial and Investment Corporation Limited, Jaipur, had leased the factory land situated at Plot No. 2, SPL, Matsya Industrial Area, Alwar, Rajasthan, in 1974, to the Company for a period of 99 (ninety nine) years and the residual life of the said leasehold land is 52 years (53 years) as on the Balance Sheet date. The Company acquired leasehold land situated at Plot No. 5, SPL, Matsya Industrial Area, Alwar, Rajasthan, in 2008 from the Official Liquidator for the balance period of lease of 63 (Sixty three) years and residual life of the said leasehold land is 50 years (51 years) as on the Balance Sheet date.

38 The Company was granted reliefs for payment of Purchase tax, Sales tax and Entry tax which were availed by the Company. For failure of the respective Departments of State Government of Rajasthan yet to finally confirm the reliefs, the Company has challenged the inaction of the Authorities by way of a Writ Petition filed before the Hon'ble Rajasthan High Court at Jaipur, which writ is pending adjudication as on the Balance Sheet date.

39 Employee benefit obligations

Defined contribution plans

- Provident Fund
- Employee State Insurance Fund

An amount of Rs. 70,65,632 (Rs. 72,82,092) for the year ended March 31, 2021, have been recognized as an expense in respect of Company's contribution for Provident Fund and Employee State Insurance Fund deposited with the government authorities and has been shown under employee benefit expenses in the Statement of Profit and Loss.

Defined benefit plans

- Gratuity
- Leave encashment

The disclosures as per the revised AS-15 are as follows:

(a) Change in defined benefit obligations	Particulars	(Figures, Rs.)	(Figures, Rs.)
		Gratuity	Leave encashment
	Projected present obligation at the beginning of the year	17,652,014	4,484,771
	Current service cost	5,283,350	1,548,948
	Past service cost	-	-
	Interest cost	1,182,685	300,480
	Actuarial (gain)/loss on obligations	1,291,822	(627,983)
	Benefits paid	(1,737,474)	(461,595)
	Projected present obligation at the end of the year	23,672,397	5,244,621



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

(b) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2021.

(c) Net periodic defined benefit cost	Particulars	(Figures, Rs.)	(Figures, Rs.)
		Gratuity	Leave encashment
	Current service cost	5,283,350	1,548,948
	Past service cost	-	-
	Interest cost	1,182,685	300,480
	Expected return on plan assets	-	-
	Net actuarial (gain)/loss recognised	1,291,822	(627,983)
	Expenses recognised in the Statement of Profit and Loss	7,757,857	1,221,445

(d) Principal actuarial assumptions	Particulars	Gratuity and leave encashment
	Discount rates	6.70% per annum
	Future salary increases	8.00% per annum

(e) The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches with the liabilities.

(f) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion, business plan, HR policy and other relevant factors.

(g) The employees are assumed to retire at the age of 58 years, unless otherwise contractually agreed.

(h) The mortality rate considered is as per the published rates under Indian Assured Lives Mortality (2012-2014) ultimate table.

40 EPS is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per equity share are as stated below:

Particulars		31 March 2021	31 March 2020
a) Net profit available for equity shareholders	Rs.	234,306,777	230,033,101
b) Weighted average number of equity shares outstanding	Nos.	13,227,301	13,227,301
c) Nominal value of per equity share	Rs.	10	10
d) Earning per share (a)/(b) - Basic and diluted	Rs.	17.71	17.39

41 Related Party Disclosures:

Pursuant to Accounting Standard (AS-18) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India, following parties are to be treated as related parties along with their relationships:

a) Related parties where control exists and other parties with whom transaction have taken place during the year, and their relationships are as below:

Key management personnel and their relative:

1 Subhash Chander Kathuria	Managing Director
2 Anubhav Kathuria	Director
3 Subhash Jain	Director
4 Ajay Kumar Mohanty	Independent Director
5 Sakshi Kathuria [^]	Woman cum Independent Director
6 Surbhi Narang ^{^^}	Chief Financial Officer
7 Yugal Kishor Garg ^{^^^}	Chief Financial Officer
8 Anita Kathuria	Wife of Managing Director
9 Arvind Kumar Tiwari	Company Secretary

[^] Resigned on 30.05.2021^{^^^} Appointed on 31.07.2021^{^^} Resigned on 31.07.2021

Enterprises over which key management personnel are able to exercise control:

1 Anita International*	7 Kathuria Castings Pvt. Ltd.
2 S.C. Kathuria (HUF)**	8 Life Medicare & Biotech Pvt. Ltd.
3 Alwar Rolling Mills Pvt. Ltd.	9 Ramnika Estates Pvt Ltd.
4 Chamak Holdings Limited	10 Surya Finvest Pvt. Ltd.
5 Geetanjali Properties Pvt. Ltd.	11 Synergy Global Steels Pvt. Ltd.
6 Himalaya Estate Pvt. Ltd.	12 Synergy Ispat Pvt. Ltd.

* Proprietorship concern of Subhash Chander Kathuria, Managing Director of the Company.

** HUF in which Subhash Chander Kathuria, Managing Director of the Company is Karta.

Note: The above related parties have been identified by the Management.



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

b) Transactions with related parties during the year:

Sl. No.	Nature of transaction	Related party	2020-21 Rs.	2019-20 Rs.
1	Personal Guarantee given in respect of:	Subhash Chander Kathuria		
	Term loan	"	304,737,989	382,788,052
	Working capital facilities	"	1,187,690,953	702,464,112
	Foreign letter of credits	"	95,999,156	288,761,398
	Buyer's credit	"	505,085,534	164,753,471
	Short term borrowings received	"	-	70,000,000
	Short term borrowing repaid	"	70,000,000	-
2	Personal Guarantee given in respect of:	Anubhav Kathuria		
	Term loan	"	304,737,989	382,788,052
	Working capital facilities	"	1,187,690,953	702,464,112
	Foreign letter of credits	"	95,999,156	288,761,398
	Buyer's credit	"	505,085,534	164,753,471
	Short term credit received and paid	"	3,055,609	3,500,000
3	Purchases (net of return)	Anita International	373,967,648	497,624,872
	Short term borrowings received and paid back	"	50,000,000	64,000,000
4	Purchases (net of return)	Chamak Holdings Limited	845,198,987	593,218,057
5	Rent for office building	Himalaya Estate Pvt. Ltd.	8,400,000	8,400,000
	Advances adjusted against rent	"	-	7,441,526
	Interest accrued and due on advances	"	998,333	1,595,228
6	Short term borrowings received	Ramnika Estates Pvt Ltd.	30,000,000	-



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

Sl. No.	Nature of transaction	Related party	2020-21 Rs.	2019-20 Rs.
	Short term borrowings repaid	"	17,105,936	-
8	Advance against supply of goods	Surya Finvest Pvt. Ltd.	43,820	10,608
	Advance for supply of goods received back	"	484,798	-
9	Advance against supply of goods	Synergy Global Steels Pvt. Ltd.	29,066,178	6,173,021
	Advance for supply of goods received back/Adjusted against purchases	"	19,900,000	105,000
	Sales (net of return)	"	183,095,913	
	Purchases (net of return)	"	128,758,278	355,030
	Interest accrued and due on advances	"	-	50,842
10	Loans and advance given	Synergy Ispat Pvt. Ltd.	3,830,133	5,566,314
	Interest accrued and due on advances	"	2,818,348	1,645,591
11	Job Work Charges	Alwar Rolling Mills Pvt. Ltd.	79,452,338	59,850,659
13	Remuneration	Arvind Tiwari	2,539,240	1,740,000
		Surbhi Narang	960,000	720,000

c) Amount outstanding as at March 31, 2021:

Sl. No.	Account head	Related party	March 31, 2021 Rs.	March 31, 2020 Rs.
1	Long term borrowings	Subhash Chander Kathuria	-	70,000,000
		Geetanjali Properties Pvt. Ltd.	4,600,000	4,600,000
2	Trade payables	Anita International	224,333,126	151,422,836
		Chamak Holdings Limited	159,501,135	196,965,036
		Synergy Global Steels Pvt. Ltd.	3,748,277	
3	Security deposit (Dr.)	Himalaya Estate Pvt. Ltd.	12,400,000	12,400,000
4	Advance recoverable in cash or kind	Himalaya Estate Pvt. Ltd.	4,798,808	11,192,230
		Synergy Ispat Pvt. Ltd.	26,430,722	19,993,617
		Surya Finvest Pvt. Ltd.	-	440,978
		Synergy Global Steels Pvt. Ltd.	14,866,106	5,699,928
		Alwar Rolling Mills Pvt. Ltd.	19,489,290	12,895,241
5	Trade receivables	Synergy Ispat Pvt. Ltd.	23,936,564	-
6	Short term borrowings	Ramnika Estates Pvt Ltd.	12,894,064	-
7	Employee salary and other benefits payable	Surbhi Narang	36,570	58,200
		Arvind Tiwari	220,000	110,000

42 Earnings in foreign exchange (on accrual basis)

Particulars	31 March 2021 Rs.	31 March 2020 Rs.
1 Sales	1,582,361,363	952,626,688
2 Quality Claims received	8,662,013	5,579,492

Expenditure in foreign exchange (on accrual basis)

Particulars	31 March 2021 Rs.	31 March 2020 Rs.
1 Travelling	368,636	8,440,081
2 Raw material, components, stores and spares costs	3,227,826,162	3,634,999,910
3 Commission Expenses	17,528,277	5,243,567
4 Rebate & Discount	331,834	42,197

43 Value of imports calculated on CIF basis

Particulars	31 March 2021 Rs.	31 March 2020 Rs.
1 Raw material	3,205,566,741	3,577,026,989
2 Components, stores and spare parts	22,259,421	57,972,921



SYNERGY STEELS LIMITED

Notes to the financial statements as at and for the year ended March 31, 2021

44 Value of imported and indigenous raw material, components, stores and spare parts consumed and % of each of the total consumption:

Particulars	31 March 2021		31 March 2020	
	Rs.	%age	Rs.	%age
1 Raw material				
Imported	3,205,566,741	30.93%	3,577,026,989	35.54%
Indigenous	7,157,791,958	69.07%	6,486,729,961	64.46%
2 Components, stores and spare parts				
Imported	22,259,421	6.29%	57,972,921	17.63%
Indigenous	331,892,287	93.71%	270,785,413	82.37%

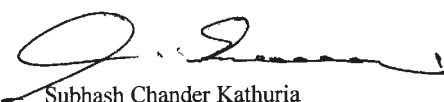
Consumption figures shown above are after adjusting excess and shortages ascertained on physical count, unserviceable items, etc.

Value of export sales:

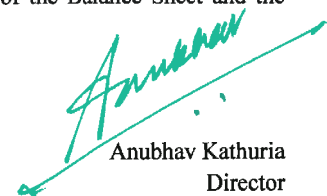
Particulars	31 March 2021		31 March 2020	
	Quantity (M.T.)	Rs.	Quantity (M.T.)	Rs.
1 Stainless Steel Wire-Rod	8,202	1,582,361,363	5,523	952,626,688
Sales including Goods and Service tax (GST) is Rs. 1,868,350,073 (1,084,037,920).				

- 45 Balances grouped under trade receivables, trade payables, long term loans and advances, other non current assets, short term loans and advances and other current assets are subject to confirmation from respective parties.
- 46 In the opinion of the management, all assets other than fixed assets and non current investments have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet.
- 47 Previous year's figures have been regrouped/recast wherever necessary to conform with this year's presentation.
- 48 Figures in brackets relate to the previous year unless otherwise indicated.
- 49 Figures have been rounded off to the nearest Rupee.

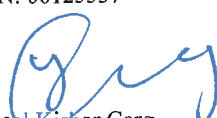
Signatures to the above notes which form an integral part of the Balance Sheet and the Statement of Profit and Loss.




Subhash Chander Kathuria
Managing Director
DIN: 00125337



Anubhav Kathuria
Director
DIN: 01198916



Yugal Kishor Garg
Chief Financial Officer
PAN: AHXPG2362B



Arvind Kumar Tiwari
Company Secretary
Membership No. F-6421

Date: 01.11.2021
New Delhi.

