

**ANNUAL REPORT
FOR THE F.Y 2021-22**

CHANDI STEEL INDUSTRIES LIMITED.

NOTICE TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Forty-Fourth Annual General Meeting of the Members of Chandi Steel Industries Limited will be held on Tuesday, 20th September, 2022 at 12:30 p.m at the Registered Office of the Company situated at 3, Bentinck Street, Kolkata – 700 001 to transact the following businesses:

ORDINARY BUSINESS

Item No. 1

To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2022 together with the Report of the Board of Directors and the Auditors thereon.

Item No. 2

To appoint a Director in place of Shri Susanta Sarkar (holding DIN – 06449312), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3

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 The Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions of the Act (including any Statutory modifications or re-enactment thereof for the time being in force), M/s JHS & Associates LLP, Chartered Accountants, (FRN: 133288W/W100099) be and is hereby appointed as the Statutory Auditors of the Company in place of the retiring Statutory Auditor M/s. B. Y Jatania & Co, Chartered accounts (FRN:.0311010E) to hold office from the conclusion of 44th Annual General Meeting until the conclusion of 49th Annual General Meeting , at such remuneration apart from reimbursement of out of pocket expenses and taxes as applicable, and terms and conditions as set out in the explanatory statement to this Notice.”

SPECIAL BUSINESS

Item No. 4

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 148 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), a consolidated remuneration of Rs. 20,000/- (excluding applicable taxes and reimbursement of out-of pocket expenses, if any) as recommended by the Audit Committee and approved by the Board of Directors at its meeting held on 13th August, 2022 to be paid to M/s. Mondal & Associates, Proprietor Mr. Amiya Mondal, being the Cost Auditors of the Company, having office at 45, Akhil Mistry Lane, Kolkata – 700 009 for conducting the audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures,

records, documents etc., for the financial year 2022-23, that may be required to be prepared and submitted by the Cost Auditors under applicable statute, be and is hereby confirmed.”

Item No. 5

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

“RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any Statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule-V of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also subject to the approval of the necessary statutory authorities, if required, approval of the members of the Company be and is hereby accorded to the re-appointment of Shri Devendra Prasad Jajodia (holding DIN: 00045166), as Managing Director of the Company for a period of 5(five) years with effect from 1st April, 2023 to 31st March, 2028 upon the terms and conditions of appointment as set out in the agreement of the reappointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Company be and are hereby authorized to alter and vary such terms of reappointment and remuneration from time to time as may be mutually agreed to between the Board of Directors and Shri Devendra Prasad Jajodia subject to the limits contained in the Companies Act, 2013.

“RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Devendra Prasad Jajodia, Managing Director of the Company, not exceeding the ceiling for the time being laid down in Schedule V of the Act and as may be decided by the Board of Directors of the Company and subject to such sanctions and approvals as may be necessary.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution and to do all such act, deeds and things as may be necessary and incidental thereto for the said purpose.”

Item No. 6

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and

Qualification of Directors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modification(s) or re-enactment(s) thereof for the time being in force, Smt. Sweta Bhutra (DIN – 09701964), who has been appointed by the Board as an Additional Director of the Company with effect from 13th August, 2022 based on the recommendation of the Nomination and Remuneration Committee, in terms of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member of the Company under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a period of 5 years with effect from 13th August, 2022.”

Item No. 7

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

“RESOLVED THAT Shri Harsh Jajodia (holding DIN: 07022106), who was appointed as an Additional Director in the meeting of the Board of directors of the Company held on 17th June, 2022 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and whose appointment has been recommended by the Nomination and Remuneration Committee and Board of Directors of the Company be and is here by appointed as a Director of the Company, liable to retire by rotation.”

Item No. 8

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

“RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, and approval of the Board and pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and also subject to the approval of the necessary statutory authorities, if required, approval of the members of the Company be and is hereby accorded to the appointment of Shri Harsh Jajodia (holding DIN: 07022106), as Whole-time Director of the Company for a period of 3(three) years with effect from 1st July, 2022 to 30th June, 2025, liable to retire by rotation on upon the terms and conditions of appointment as set out in the agreement of the reappointment, as approved by the Board of Directors of the Company and the Nomination & Remuneration Committee and as set out in the Explanatory Statement annexed hereto.

“RESOLVED FURTHER THAT the Board of Directors and the Nomination & Remuneration Committee of the Company be and are hereby authorized to alter and vary such terms of reappointment and remuneration from time to time as may be mutually agreed to between the Board of Directors and Shri Harsh Jajodia subject to the limits contained in the Companies Act, 2013.

“RESOLVED FURTHER THAT in case of losses or inadequate profits or for any other reasons as stated in Schedule V of the Companies Act, 2013, remuneration shall be paid to Shri Harsh Jajodia, Wholtime Director of the Company, not exceeding the ceiling for the time being laid down in Schedule V of the Act and as may be decided by the Board of Directors of the Company and subject to such sanctions and approvals as may be necessary.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to file necessary forms with the Registrar of Companies and to take further steps to give effect to this resolution and to do all such act, deeds and things as may be necessary and incidental thereto for the said purpose.”

Item No. 9

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

“RESOLVED THAT pursuant to provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”), including any statutory modification(s) and/or re-enactments thereof, and such other rules and regulations, as may be applicable, the Company’s Policy on Related Party Transactions and based on the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s) on such terms as set in the explanatory statement hereto.

“RESOLVED FURTHER THAT the Board be and is hereby authorised to decide upon the nature of Related Party Transactions to be entered into with its Related Parties within the approved limit;

“RESOLVED FURTHER THAT the Board of Directors (“hereinafter referred to as the “Board”, which term shall deem to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred on the Board by this resolution), be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto without being required to seek any further consent or approval of the members or

otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution”.

Registered Office:
3, Bentinck Street,
Kolkata – 700 001

By Order of the Board
For **Chandi Steel Industries Limited**

Sd/-

Place : Kolkata
Date : 18th August, 2022

Seema Chowdhury
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning item of Special Business under items no. 3 to 9 of the Notice to be transacted at the Forty Fourth Annual General Meeting ('the meeting') is annexed hereto and forms part of the Notice. The relevant details, pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") in respect of the Director seeking re-appointment /appointment at this AGM are also annexed to this Notice.
2. PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON THEIR BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

As per Section 105 of the Companies Act, 2013 and rules made thereunder a person can act as a proxy on behalf of the member or members not exceeding 50 (Fifty) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. Also, a member holding more than 10% of the total share capital of the Company carrying voting rights, may appoint a single person as a proxy provided that such a person shall not act as a proxy for any other person or member. If a proxy is appointed for more than 50 (fifty) members, he/she shall choose any 50 (fifty) members and confirm the same to the company before the commencement of specified period for inspection. In case, proxy fails to do so, the company shall consider only first 50 (fifty) proxies as valid. The instrument appointing the proxy shall be in writing and be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it and in order to be effective, should be deposited at the registered office of the Company, duly completed stamped and signed, not less than 48 (Forty Eight) hours before the commencement of the meeting. A proxy form is annexed to this Report.

Further, proxies submitted on behalf of authorized representative of the companies, societies etc. must be supported by appropriate resolution/authority, as applicable. Members who hold shares in dematerialized form are requested to bring their Photo Identity Card for easy identification of attendance at the meeting.

Every member entitled to vote at the meeting shall be entitled during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during business hours between 11a.m to 6 p.m., provided that not less than 3 days' notice in writing of intention to inspect is given by the member to the Company.

3. In terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Institutional/ Corporate Members intending to send their authorised representative to attend the Annual General Meeting are requested to send to the Company a certified true copy of the Board Resolution together with respective specimen signature of those representative(s) authorized under said resolution to attend and vote on their behalf at the meeting.
4. Members / Proxies/authorised Representatives attending the physical Annual General Meeting are requested to bring the Attendance Slip sent herewith duly filled in for attending the physical meeting. Further members who hold shares in dematerialized form are requested to bring their Identity Card for easy identification of attendance at the meeting.
5. The Annual Report of the Company for the Financial Year 2021-22, circulated to the members of the Company, is also uploaded on the Company's website "www.chandisteel.com".
6. In case of joint holders attending the Meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
7. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 14th September, 2022 to Tuesday, 20th September, 2022 (both days inclusive).
8. Members holding shares in physical mode are requested to notify immediately any change in their address to the Registrar and Share Transfer Agent – Maheshwari Datamatics Private Limited of the Company and members holding shares in demat mode are requested to intimate any change in their or address to their respective Depository Participants.
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to write to the Company's Registrar and Share Transfer Agents, MDPL, at their Corporate Office 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, email id: mdpldc@yahoo.com, enclosing their share certificates to enable the Company to consolidate their holdings into single folio.
11. Pursuant to Section 88 of the Companies Act, 2013 the Register of Members is required to be maintained in form MGT-1. In this respect, members holding shares in physical form are requested to inform/update the following additional details to the RTA, Maheshwari Datamatics Private Limited, Corporate Office: 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, email id: mdplc@yahoo.com, who have not yet so updated:
 - a. E-mail id (of the first holder)
 - b. PAN
 - c. Unique Identification Number (AADHAR NO.)
 - d. Father's /Mother's/Spouse's Name
 - e. Occupation
 - f. In case the member is a minor, Name of the Guardian and date of birth of the Member
 - g. CIN (In case the member is a body corporate)
12. Members are requested to quote the Folio/Client ID & DP ID Nos. in all correspondences.

13. All the documents referred to in the accompanying Notice will be made available for electronic inspection without any fee by the Members of the Company from the date of circulation of this Notice upto the conclusion of this Annual General Meeting. Members seeking to inspect such documents can send an email to chandisteelindustries@gmail.com.
14. i) Electronic copy or web link of the Annual Report for the financial year 2021-22 and the Notice of the 44th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form and route map is being sent only by email, to all the Shareholders whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled. Therefore, Members, whose email address is not registered with the Company or with their respective Depository Participant(s), and who wish to receive the soft copy of Notice of the 44th AGM of the Company and all other communications sent by the Company, from time to time, can get their email address registered.
- ii) Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the related MCA and SEBI Circulars, the Notice calling the AGM will be uploaded at the Company's website, at www.chandisteel.com. The AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com.
- iii) The Members are requested to notify immediately changes, if any, in their registered address: (i) to the Company's Registrar & Share Transfer Agent, Maheshwari Datamatics Private Limited, E-mail: mdpldc@yahoo.com in respect of the Shares held in Physical Form and (ii) to their Depository Participants (DPs) in respect of Shares held in Dematerialized Form.
- iv) Any person who has acquired shares and become a member of the Company after dispatch of this Notice and holding shares as on the cut-off date i.e 13th September, 2022 may obtain electronic copy of the Notice of the 44th AGM by sending a request to the Company or Company's RTA i.e Maheshwari Datamatics Private Limited.
- v) Members who have received the Annual Report along with the Notice of the AGM in electronic mode are requested to print the Attendance Slip and submit a dully filled in Attendance Slip at the Registration Counter at the AGM.
15. To support the 'Green Initiative' measures of Ministry of Corporate Affairs, members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, MDPL, in case the shares are held by them in physical.
16. All the documents referred to in the accompanying Notice will be made available for inspection without any fee by the Members of the Company from the date of circulation of this Notice upto the conclusion of this Annual General Meeting at the registered office of the Company during working hours. Members seeking to inspect such documents electronically can send an email to chandisteelindustries@gmail.com.
17. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and The Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will also be made available for inspection during the Annual General Meeting. Members seeking to inspect such documents can send an e-mail to chandisteelindustries@gmail.com.
18. The Shareholders, seeking any information or have any queries on "Accounts and Operations" of the Company, are requested to write to the Company atleast 7(Seven) days before the meeting through Email on chandisteelindustries@gmail.com. The same will be replied by/on behalf of the Company suitably.

19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in demat mode are, therefore requested to submit PAN details to their Depository Participant.

Members holding shares in physical mode are also requested to submit their PAN and bank account details to the Company's Registrar and Share Transfer agent, Maheshwari Datamatics Private Limited, Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata – 700001, email id: mdpldc@yahoo.com.

20. Securities and Exchange Board of India (SEBI) has mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN Card to the Company for registration of transfer of securities. Also, as per SEBI notification number SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 for amendment to SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in the demat form with a depository, except in case of transmission or transposition of securities.
21. Section 72 of Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificate in physical form and willing to avail this facility may make nomination in Form SH-13 as per Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 which may be sent on request. In case of demat holding, the shareholders should approach their respective Depository Participant for their nomination. Blank forms will be made available on request. The same can also be downloaded from the Company's website www.chandisteel.com under the head 'Investor Relations'.
22. Subject to casting of requisite number of votes in favour of the resolution(s), the resolution(s) shall be deemed to be passed on the date of Annual General Meeting of the Company.
23. a) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circular, the Company is pleased to provide the remote e-Voting facility to its Members in respect of the businesses proposed to be transacted at the 44th AGM by electronic means from a place other than venue of the meeting i.e remote e-voting. The instructions for remote e-voting are enclosed with the notice. The Company has engaged the services of Central Depository Services (India) Limited (CDSL), who will provide the e-voting facility of casting votes to a Shareholder using remote e-voting system (e-voting from a place other than venue of the AGM) ("remote e-voting").
Members are requested to carefully read the instructions of e-voting before exercising their vote.
- b) The remote e-voting facility will be made available during the following period:
Commencement of remote e-voting: **From 10:00 a.m. on Saturday, 17th September, 2022**
End of remote e-voting: **Up to 5:00 p.m. on Monday, 19th September, 2022**
During this period, members holding share either in physical or dematerialized mode as on the cut-off date viz., Tuesday, 13th September, 2022 may exercise their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. A person who is not a Member as on the cut-off date should accordingly treat this notice for information purposes only.
- c) Any person, who acquires shares of the Company and becomes Member of the Company after the dispatch of the Notice but on or before the cut-off date for e-voting i.e **Tuesday, 13th September, 2022**, he/she may write to the Registrar requesting for user id and password or

email at mdpldc@yahoo.com. However, if a member is already registered with CDSL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

d) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

e) Facility of voting through Ballot Paper shall also be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting. The Members who have cast their vote by remote e-Voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote on such resolution again.

f) The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut- off date being 13th September, 2022.

g) Members can opt for only one mode of voting, i.e. either by e-voting or voting at Annual General Meeting. In case members cast their vote through both the mode, e-voting shall prevail and vote cast at Annual General Meeting shall be invalid.

h) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

i) A person who is not a member as on cut-off date should treat this notice for the information purpose only.

j) The Board of Directors has appointed Smt. Pooja Bansal, Company Secretaries in practice, (Mem. No:50458, COP : 18524) as the Scrutinizer to scrutinize the entire e-voting process in a fair and transparent manner.

k) The Scrutinizer shall after the conclusion of e-Voting at the 44th AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within two working days from the conclusion of the 44th AGM, who shall then countersign and declare the result of the voting forthwith.

l) The results of e-voting will be communicated to the Stock Exchange where equity shares of the Company are listed viz. the Calcutta Stock Exchange Limited. Further, the results so declared along with the Scrutinizer's Report shall also be placed on the website of the Company as well as on the website of CDSL immediately after declaration of results by the Chairman or any person authorized by him in writing.

24. Any query/grievances connected with the voting and other matters w.r.t this AGM may be addressed to the Company Secretary, Chandi Steel Industries Limited, 3, Bentinck Street, Kolkata – 700 001 or at 033-2248 9808 or at chandisteelindustries@gmail.com.

Registered Office:
3, Bentinck Street,
Kolkata - 700 001

Place : Kolkata
Date : 18th August, 2022

By Order of the Board
For **Chandi Steel Industries Limited**

Sd/-
Seema Chowdhury
Company Secretary

Annexure to the Notice

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No. 3

In terms of SEBI listing Regulations, and based on recommendation of Audit committee, the Board of Directors of the Company at its meeting held on 13th August, 2022 has approved and recommended to the shareholders, the appointment of M/s JHS & associates LLP, Chartered Accountants, (FRN: 133288W/W100099) as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the ensuing Annual General Meeting (AGM) of the Company till the conclusion of 49th AGM of the Company in place of the present Statutory Auditor M/s. B. Y. Jatania & Co, Chartered accounts (FRN: 0311010E) who will complete their term at the conclusion of this ensuing AGM of the Company. On the recommendation of the Audit Committee, the Board also recommends for the approval of the members, the remuneration of the Auditor (including limited review) as Rs. 1,00,000/- for the Financial year 2022-23. The proposed fees are in line with the industry benchmarks. The fees for any other professional work including certifications will be in addition to the audit fee as mentioned above and will be decided by the management in consultation with the Auditors. The Board of Directors are authorized to fix the remuneration for the remaining tenure of their appointment in consultation with the Audit Committee.

The Committee considered various parameters like capability to serve a diverse and complex business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found them to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

Brief Profile of Statutory Auditor:

JHS is a registered limited liability partnership in India. It is an integrated professional services, multi location firm that symbolises aspirations of the true emergent India. The firm comprises of dedicated professionals who possess special skills for business requirements. JHS is a business enabler and trust worthy partner with presence in 13 cities and strength of 250+ people. It has integrated capabilities of niche firms present across Ahmedabad, Delhi, Kolkata, Mumbai, Vadodra. The firm has been peer reviewed by ICAI and holds a valid Peer Review Certificate.

The Board of Directors, therefore, recommends the Resolution under item no. 3 to be passed as an Ordinary Resolution by the members.

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

Item No. 4

On the basis of the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 13th August, 2022 has approved the re-appointment of the Cost Auditors of the Company, M/s Mondal & Associates, Proprietor Mr. Amiya Mondal, to conduct audit of the cost records of the Company and providing Cost Audit Report and all such reports, annexures, records, documents etc., for the financial year 2022-23, that may be required to be prepared and submitted by the Cost Auditors under applicable statute at a consolidated remuneration of Rs. 20,000/- (excluding applicable taxes and reimbursement of out-of-pocket expenses, if any).

In terms of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, remuneration payable to the Cost Auditors has to be approved by the Board and subsequently be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors of the Company for the Financial Year 2022-23.

The Board of Directors, therefore, recommend the Resolution under item no. 4 to be passed as an Ordinary Resolution by the members.

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

Item No. 5

On the recommendation of Nomination & Remuneration Committee, and subject to approval of the members and such other authorities as may be required, the Board of Directors of the Company ("the Board") at its meeting held on 18th August, 2022 has re-appointed Shri Devendra Prasad Jajodia (DIN: 00045166) as the Managing Director (Category: Executive) of the Company in accordance with the provisions of Sections 196, 197, Schedule V, and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, for a period of 5 (five) years with effect from 1st April, 2023 till 31st March, 2028 at a remuneration of Rs. 7,00,000/- per month and on such terms and conditions as set out in the agreement entered into between the Company and Shri Devendra Prasad Jajodia for obtaining such services as may be beneficial for the working of the Company, including any advisory services.

Brief Profile

Shri Devendra Prasad Jajodia, aged about 74 years, is presently the Chairman & Managing Director of the Company, Chandi Steel Industries Limited. He is B.E (Hons) Mechanical and is an expertise in Iron & Steel Industry. Shri Devendra Prasad Jajodia, son of Late Keshar Deo Jajodia is a Director of the Company since 2013. Working hand-on, Shri Devendra Prasad Jajodia led the group as one of the largest vertically integrated steel manufacturing houses in Eastern India. He is recognized among industry circle as a highly successful entrepreneur.

Relevant details relating to the re – appointment of Shri Devendra Prasad Jajodia as required by the Act, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are provided as "Annexure" to this Notice.

During his tenure as the Managing Director, Mr. Jajodia has delivered strong performance and has further propelled the Company's vision of evolving and continuous growth. He has been able to successfully navigate the Company through the uncertainties posed by the situation around COVID – 19 pandemic driven by the singular passion of delivering value to the customers.

Considering his expertise in the Company's businesses, leadership, experience and based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors considered the re – appointment of Mr. Devendra Prasad Jajodia as the Managing Director in the interest of the Company and recommends the resolution as set out in Item No. 5 of this Notice for approval of the members.

The statement of particulars as per Part B of Section II of Part II of Schedule V of the Companies Act, 2013 is provided as below:-

I. GENERAL INFORMATION				
1) Nature of Industry	Iron & Steel Industry			
2) Date or expected date of commencement of commercial production	Year 1981			
3) In case of new Company, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable			
4) Financial performance based on given indicators	(₹ in lakhs)			
	Particulars	Financial Year ended 31st March, 2021	Financial Year ended 31st March, 2020	Financial Year ended 31st March, 2019
	Total Income	43,234.28	23,029.89	24,118.08
	Profit/ (Loss) before tax	2,674.91	671. 2	1,167.20
	Profit/ (Loss) after tax	1,993.21	510.60	881.73
5) Foreign investments or collaborators	NIL			
II. INFORMATION ABOUT SHRI DEVENDRA PRASAD JAJODIA				
1) Background details	Shri Devendra Prasad Jajodia, son of Late Keshar Deo Jajodia, is presently the Managing Director of the company. He is a B.E (Hons) Mechanical. He has more than three decades of experience in steel industry. He joined Chandi Steel Industries Limited in 2007. He has been instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.			
2) Past Remuneration	Rs. 7,00,000/- per month			
3) Recognition or awards	Shri Devendra Prasad Jajodia is known among industry circle as a successful entrepreneur.			

4) Job profile and his suitability	Shri Devendra Prasad Jajodia has expertise in Corporate Finance, Accounts, Taxation, Corporate Governance, Statutory Compliance, Planning, System & Procedures, Audit, Internal and Statutory Audit and Control. He has been instrumental in shaping the corporate profile of the Company and in establishing the Company as a major Corporate House in the steel sector.
5) Remuneration proposed	Rs. 7,00,000/- per month
6) Comparative remuneration profile with respect to industry, size of the Company, profile of position and person	Remuneration proposed is commensurate to industry standards & profile of the candidate.
7) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel	Shri Devendra Prasad Jajodia holds 4,50,000 equity shares of the Company and he is presently the Managing Director of the Company.
III. OTHER INFORMATION	
1) Reasons of inadequate profits or loss	-Fall in demand in the steel product, -High cost of raw material and cost of production. -Rising imports from other countries at cheaper rates and other economic factors.
2) Steps taken or to be taken for improvement	Continuous efforts are being taken by the Management to improve the profitability and enhance productivity, cost reduction and sales growth.
3) Expected increase in productivity and profits in measurable terms	The management expects that with the continuous efforts the productivity and profits will grow at a realistic rate.

An abstract of the main terms and conditions of the appointment of Shri Devendra Prasad Jajodia, as the Managing Director of the Company and memorandum of concern or interest of the directors are given below:

Terms and Conditions of Appointment:

a) Salary :

Basic Salary of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month. (Annual increment of amount not exceeding Rs. 1,50,000 per month, subject to approval of the Board.)

b) Perquisites and Allowances :

i) House Rent Allowance (HRA)

HRA of Rs. 1,40,000/- (Rupees One Lakh Forty Thousand only) per month.

ii) Special Allowance

Special allowance of Rs. 2,06,300/- (Rupees Two Lakhs Six Thousand Three Hundred only) per month.

iii) Medical Benefits :

Reimbursement of actual medical expenses incurred in India/abroad and including hospitalization / nursing home and surgical charges for himself and family as per rules of company.

iv) Leave Travel Concession

For self and family as per rules of the Company.

v) Contribution to Provident Fund, Superannuation Fund and Annuity Fund

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company.

vi) Gratuity

Payable as per rules of the company.

vii) Leave

Leave with full pay and allowances including encashment thereof as per rules of the Company.

viii) Other Allowances

Other allowances of Rs. 3,700/- (Rupees Three Thousand Seven Hundred Only) per month.

Explanation

Perquisites shall be valued as per the Income Tax Rules, 1962 wherever applicable and in absence of any such Rules, perquisites shall be evaluated at cost.

c) Amenities

i) Conveyance Facilities

The Company shall, provide such other suitable conveyance facilities as may be required by the Whole-time Director for discharge of his duties.

ii) Telephone and other communication facilities

The Company shall provide telephone and other communication facilities to the Whole-time Director for official purposes.

d) Remuneration in the event of Loss or inadequacy of Profits

Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to applicable provisions of Schedule V of the Companies Act, 2013.

Note:

Net profits for this purpose shall be as per computation of Net Profits under Section 198 of the Companies Act, 2013.

e) Reimbursement of expenses

Reimbursement of all entertainment, travelling, hotel and other expenses incurred by the Whole-time Director during the course of and in connection with the business of the Company.

Shri Devendra Prasad Jajodia has furnished the consents/declarations for his re – appointment as required under the Act, Rules, and the Listing Regulations. He satisfies all the conditions as set out in

Part I of Schedule V and also under Section 196 of the Act, for being eligible to be re-appointed as the Managing Director of the Company. He is not disqualified from being re-appointed as the Managing Director in terms of Section 164 of the Act.

The Board of Directors recommends the Resolution as set out in Item No. 5 of this Notice to be passed as a Special Resolution by the members of the Company.

Other than Mr. Devendra Prasad Jajodia and his relatives, none of the Directors, Key Managerial Personnel, or their relatives, in any way, concerned or interested, financially or otherwise, except to the extent of their respective shareholding in the Company, if any, in the proposed Special Resolution as set out in Item No. 5 of this Notice.

Item No. 6

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Smt. Sweta Bhutra (DIN – 09701964), as an Additional Director (Category –Non Executive Independent) of the Company with effect from 13th August, 2022, in terms of Sections 149 and 161(1) of the Companies Act, 2013 to hold office upto the date of this Annual General Meeting and further recommended her appointment as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of 5 years from the date of her appointment, in terms of the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made therein (as amended from time to time) read with Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR / Listing Regulations), including any statutory modification(s) or re-enactment(s) thereof for the time being in force. The Board is highly optimistic that her association will render benefits to the Company.

Smt. Sweta Bhutra is a Bachelor of Commerce (Hons.) graduate from the University of Calcutta. She is an Associate Member of Institute of Company Secretaries of India (ICSI). She is a corporate professional with more than 5 years of rich experience in the Compliance Management of reputed organizations with core competencies in Due Diligence, Financial Reporting, Statutory Compliance, Taxation and Finance.

A notice in writing under Section 160 of the Companies Act, 2013, has been received from a member proposing the candidature of Smt. Sweta Bhutra for the office of an Independent Director of the Company.

The Company has received consent in writing from Smt. Sweta Bhutra to act as a Director of the Company along with the requisite disclosures and a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Smt. Sweta Bhutra fulfils the conditions specified under the Companies Act, 2013 and rules made there under for her appointment as an Independent Director of the Company.

The Board of Directors, therefore, recommend the Resolution under item no. 6 to be passed as an Ordinary Resolution by the Members.

Smt. Sweta Bhutra and her relatives may be deemed to be concerned or interested in the proposed Resolution so far as it relates to her own appointment. None of the other Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Item No. 7

Shri Harsh Jajodia (DIN: 07022106) who was appointed as an Additional Director (Category: Executive) by the Board of Directors on 17.06.2022 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company holds office up to the date of this Annual General Meeting. In the said meeting, the Board on the recommendation of the Nomination and Remuneration Committee (NRC), decided to place before the members of the company for their approval, a resolution for appointment of Shri Harsh Jajodia as a director of the company, liable to retire by rotation.

The NRC and Board also noted that Shri Harsh Jajodia was not debarred from holding the office of Director by virtue of any SEBI order or any such authority.

Relevant details relating to the appointment of Shri Harsh Jajodia as required by the Act, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are provided as “Annexure” to this Notice.

Other than Mr. Harsh Jajodia and his relatives, none of the Directors, Key Managerial Personnel, or their relatives, in any way, concerned or interested, financially or otherwise, except to the extent of their respective shareholding in the Company, if any, in the proposed Ordinary Resolution as set out in Item No. 7 of this Notice.

The Board of Directors recommends the Resolution as set out in Item No. 7 of this Notice for approval by the members of the Company.

Item No. 8

The Board of Directors of the Company (“the Board”) at its meeting held on 17th June, 2022 has appointed Shri Harsh Jajodia (DIN: 07022106) as the Whole-time Director of the Company in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable provisions, if any, and subject to approval of the members and such other authorities as may be required, for a period of 3 (three) years with effect from 1st July, 2022 to 30th June, 2025 on the basis of recommendation of Nomination and Remuneration Committee.

Brief profile

Shri Harsh Jajodia, aged about 30 years, is a commerce graduate. He has a varied experience in Iron & Steel Industry and is known for his innovative and modern ideas and implementing the same practically and efficiently empowering the corporates to meet its objectives and surpass industrial benchmarks. He has an in-depth knowledge in Corporate Finance, Accounts, Planning & Strategy. The Board of your Company believes that Shri Harsh Jajodia’s appointment as a Whole-time Director of the Company and his knowledge and experience will help the company in long run and will add value to the organisation.

Relevant details relating to the appointment of Shri Harsh Jajodia as required by the Act, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India are provided as “Annexure” to this Notice.

The Board of your Company believes that his expertise and knowledge will help the company in long run and will add value to the organization. The Board based on the recommendation of the Nomination and Remuneration Committee proposes to appoint Shri Harsh Jajodia, as a Whole-time director of the Company on such terms and conditions as set out in the Agreement entered into between the Company and Shri Harsh Jajodia for a period of 3 (three) years from 1st July, 2022 to 30th June, 2025 for obtaining such services as may be beneficial for the working of the Company, including any advisory services. The statement of particulars as per Part B of Section II of Part II of Schedule V of the Companies Act, 2013 is as below:-

IV. GENERAL INFORMATION	
6) Nature of Industry	Iron & Steel Industry
7) Date or expected date of commencement of commercial production	Year 1981

8) In case of new Company, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable			
9) Financial performance based on given indicators	(₹ in lakhs)			
	Particulars	Financial Year ended 31st March, 2021	Financial Year ended 31st March, 2020	Financial Year ended 31st March, 2019
	Total Income	43,234.28	23,029.89	24,118.08
	Profit/ (Loss) before tax	2,674.91	671.12	1,167.20
	Profit/ (Loss) after tax	1,993.21	510.60	881.73
10) Foreign investments or collaborators	NIL			
V. INFORMATION ABOUT SHRI HARSH JAJODIA				
8) Background details	Shri Harsh Jajodia, son of Shri Rajiv Jajodia. Shri Harsh Jajodia is a commerce graduate and has an in-depth knowledge in Corporate Finance, Accounts, Planning & Strategy			
9) Past Remuneration	Shri Harsh Jajodia is appointed as a Wholetime Director of the Company for the first time w.e.f 01.07.2022.			
10) Recognition or awards	Shri Harsh Jajodia is well known for his innovative and modern ideas and implementing the same practically and efficiently empowering the corporates to meet its objectives and surpass industrial benchmarks.			
11) Job profile and his suitability	Shri Harsh Jajodia has a varied experience in Iron & Steel Industry and has an in-depth knowledge in Corporate Finance, Accounts, Planning & Strategy.			
12) Remuneration proposed	Rs. 7,00,000/- per month			
13) Comparative remuneration profile with respect to industry, size of the Company, profile of position and person	Remuneration proposed is commensurate to industry standards & profile of the candidate.			

14) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel	Shri Harsh Jajodia does not hold any shares of the Company. His father Shri Rajiv Jajodia is a promoter of the Company. Shri Harsh Jajodia is the nephew of Shri Devendra Prasad Jajodia, Managing Director of the Company.
VI. OTHER INFORMATION	
4) Reasons of inadequate profits or loss	- Fall in demand in the steel product, - High cost of raw material and cost of production. - Rising imports from other countries at cheaper rates and other economic factors.
5) Steps taken or to be taken for improvement	Continuous efforts are being taken by the Management to improve the profitability and enhance productivity, cost reduction and sales growth.
6) Expected increase in productivity and profits in measurable terms	The management expects that with the continuous efforts the productivity and profits will grow at a realistic rate.

An abstract of the main terms and conditions of the appointment of Shri Harsh Jajodia, as the Whole-time Director of the Company and memorandum of concern or interest of the directors are given below:

Terms and Conditions of Appointment:

c) Salary :

Basic Salary of Rs. 3,50,000/- (Rupees Three Lakhs Fifty Thousand only) per month. (Annual increment of amount not exceeding Rs. 1,50,000 per month, subject to approval of the Board.)

d) Perquisites and Allowances :

i) House Rent Allowance (HRA)

HRA of Rs. 1,40,000/- (Rupees One Lakh Forty Thousand only) per month.

ii) Special Allowance

Special allowance of Rs. 2,06,300/- (Rupees Two Lakhs Six Thousand Three Hundred only) per month.

iii) Medical Benefits :

Reimbursement of actual medical expenses incurred in India/abroad and including hospitalization / nursing home and surgical charges for himself and family as per rules of company.

iv) Leave Travel Concession

For self and family as per rules of the Company.

v) Contribution to Provident Fund, Superannuation Fund and Annuity Fund

The Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per rules of the Company.

vi) Gratuity

Payable as per rules of the company.

vii) Leave

Leave with full pay and allowances including encashment thereof as per rules of the Company.

viii) Other Allowances

Other allowances of Rs. 3,700/- (Rupees Three Thousand Seven Hundred Only) per month.

Explanation

Perquisites shall be valued as per the Income Tax Rules, 1962 wherever applicable and in absence of any such Rules, perquisites shall be evaluated at cost.

c) Amenities

i) Conveyance Facilities

The Company shall, provide such other suitable conveyance facilities as may be required by the Whole-time Director for discharge of his duties.

ii) Telephone and other communication facilities

The Company shall provide telephone and other communication facilities to the Whole-time Director for official purposes.

f) Remuneration in the event of Loss or inadequacy of Profits

Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to applicable provisions of Schedule V of the Companies Act, 2013.

Note:

Net profits for this purpose shall be as per computation of Net Profits under Section 198 of the Companies Act, 2013.

g) Reimbursement of expenses

Reimbursement of all entertainment, travelling, hotel and other expenses incurred by the Whole-time Director during the course of and in connection with the business of the Company.

Other than Mr. Harsh Jajodia and his relatives, none of the Directors, Key Managerial Personnel, or their relatives, in any way, concerned or interested, financially or otherwise, except to the extent of their respective shareholding in the Company, if any, in the proposed Ordinary Resolution as set out in Item No. 8 of this Notice.

The Board of Directors recommends the Resolution as set out in Item No. 8 of this Notice to be passed as a Special Resolution by the members of the Company.

Item No. 9

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with other applicable provisions, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all material related party transaction ('MRPT') with an aggregate value exceeding Rs.1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Amidst the backdrop of the aforementioned provisions, approval of the shareholders is being sought to enter/continue to enter into Material Related Party Transaction(s) with various Related Parties.

The Company proposes to enter into transactions with its related parties, from time to time, subject to the approval of the Audit Committee and the Board, wherever required, on such terms and conditions as may be mutually agreed upon between the Company and its related parties within an annual limit as tabled herein below:

Name of the Related Party	Nature of Relationship	Nature of Contract	Estimated amount per annum (Amount in Crore)
Jai Balaji Industries Limited (JBIL)	JBIL is a Public Company in which Director along with its Relatives holds more than 2% of its paid-up share capital	Purchase/ Sale of goods/materials on an arm's length basis and in ordinary Course of business, Corporate Guarantee given/obtained	50
Jai Salasar Balaji Industries Pvt. Ltd. (JSBIPL)	JSBIPL is a Private Company having common Directorship/Membership	Purchase/Sale of goods/materials on an arm's length basis and in ordinary Course of business	150
Balaji Ispat Udyog (BIU)	BIU is a Proprietorship Firm in which Director's brother is Proprietor	Purchase/Sale of goods/materials on an arm's length basis and in ordinary Course of business	10
Jai Balaji Jyoti Steels Limited (JBJSL)	JBJSL is a Public Company in which Director along with its Relatives holds more than 2% of its paid-up share capital	Purchase/Sale of goods/materials on an arm's length basis and in ordinary Course of business, Corporate Guarantee given/obtained	50
Jai Balaji Infotech Private Limited (JB IPL)	JB IPL is a Private Company in which one of the Director is a Member	Purchase/Sale of goods/materials on an arm's length basis and in ordinary Course of business, Corporate Guarantee given/obtained	10

Details of the related parties are tabled herein below:

Name of the Related Party	Name of the Director or Key Managerial Personnel who is related	Nature of Relationship
Jai Balaji Industries Limited (JBIL)	Shri Sanjiv Jajodia Shri Rajiv Jajodia Shri Gaurav Jajodia	Shri Sanjiv Jajodia and Shri Rajiv Jajodia are Brothers and Shri Gaurav Jajodia is Son of Shri Devendra Prasad Jajodia, Managing Director of Chandi Steel Industries Limited and they along with their relatives more than 2 % of the paid-up share capital of JBIL.
Jai Salasar Balaji Industries Pvt. Ltd.	Shri Devendra Prasad Jajodia	Shri Devendra Prasad Jajodia is a Director and Member of JSBIPL.

(JSBIPL)		
Balaji Ispat Udyog (BIU)	Shri Sanjiv Jajodia	Shri Sanjiv Jajodia, Brother of Shri Devendra Prasad Jajodia, Managing Director of Chandi Steel Industries Limited is the proprietor of the firm, BIU.
Jai Balaji Jyoti Steels Limited (JBJSL)	Shri Rajiv Jajodia	Shri Rajiv Jajodia, Brother of Shri Devendra Prasad Jajodia, Managing Director of Chandi Steel Industries Limited is Director of JBJSL.
Jai Balaji Infotech Private Limited (JBIPL)	Shri Devendra Prasad Jajodia	Shri Devendra Prasad Jajodia is a Member of JSBIPL.

The other details to be placed before Members in line with the SEBI Circular are given below:

SI No.	Particulars	Details
1.	Type , material terms and particulars of the proposed transaction	As detailed above. All transactions to be entered into are at arm's length and at ordinary course of business.
2.	Tenure of the proposed transaction	Ongoing -Annually
3.	Value of the proposed transactions	As detailed above.
4.	Percentage of the listed entity's annual consolidated turnover , for the immediately preceding financial year, that is represented by the value of the proposed transaction on a voluntary basis	Turnover of the Company for the F.Y 2021-22 i.e as per the latest audited BS is Rs. 432.34 Crores. Proposed Limit – Rs. 270 Crores Percentage – 62.45%
5.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction; ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, nature of indebtedness; cost of funds; and tenure; iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	Not Applicable

6.	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial.
7.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	Not Applicable
8.	Any other information relevant or important for the members to take decisions	The Company enters/proposes to enter into related party transactions with the Bodies Corporate as per the table above, on an arm's length basis and in ordinary course of business with the intention to further the Company's interest.

The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution.

Except the aforesaid Promoter Directors and their relatives (to the extent of their shareholding interest in the Company), no other Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed resolution.

Hence, the above Ordinary Resolution being in the interest of the Company, the Audit Committee and also the Board of Directors, have proposed and recommended the same for your approval.

Registered Office:
3, Bentinck Street,
Kolkata – 700 001

By Order of the Board
For **Chandi Steel Industries Limited**

Place : Kolkata
Date : 18th August, 2022

Sd/-
Seema Chowdhury
Company Secretary

Annexure to the notice pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief profile of Director Seeking appointment/re-appointment at the ensuing Forty Fourth Annual General Meeting

Name of Director	Shri Susanta Sarkar	Shri Devendra Prasad Jajodia
DIN	06449312	00045166
Date of Birth	15 th October, 1970	1 st June, 1948
Date of Appointment as Director	19 th November, 2012	22 nd December, 2007
Qualification	Higher Secondary, Draughtmanship (Mach. & Civil)	B.E. (Hons) Mechanical
Expertise in Specific functional area	Central and Excise	Steel Manufacturing of all the Grades
Membership of the Committees of the Board of Directors of the Company	NIL	NIL
Directorship held in any other listed Companies	NIL	NIL
Membership in the Committees of the Board of Directors of other Listed Entity in which he is a Director	Nil	NIL
No. of Equity Shares held in the Company	NIL	4,50,000
Inter-se Relationships between Director	None	None

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Name of Director	Shri Harsh Jajodia	Smt. Sweta Bhutra
DIN	07022106	09701964
Date of Birth	4 th December, 1991	6 th September, 1990
Date of Appointment as Director	1 st July, 2022	13 th August, 2022
Qualification	B.COM Graduate	B.Com (Hons) Graduate and an Associate Company Secretary.
Expertise in Specific functional area	Has an in-depth knowledge in Corporate Finance, Accounts, Planning & Strategy	She is a Corporate professional with more than 5 years of rich experience in the Compliance Management of reputed large organizations with core competencies in Due Diligence, Financial Reporting, Statutory Compliance, Taxation and Finance.
Membership of the Committees of the Board of Directors of the Company	NIL	Nomination Remuneration Committee – Chairperson. Stakeholder Relationship Committee – Chairperson. Corporate Social Responsibility Committee - Member
Directorship held in any other listed Companies	NIL	NIL
Membership in the Committees of the Board of Directors of other Listed Entity in which he is a Director	Nil	NIL
No. of Equity Shares held in the Company	NIL	NIL
Inter-se Relationships between Director	Shri Harsh Jajodia is the nephew of Shri Devendra Prasad Jajodia, the Managing Director of the Company	None

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

- (i) The voting period begins on **Saturday, 17th September, 2022 at 10:00 a.m.** and ends on **Monday, 19th September, 2022 at 5:00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) **13th September, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is

	launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

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

Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
 - 7) After entering these details appropriately, click on "SUBMIT" tab.
 - 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - 10) Click on the EVSN for the relevant <Chandi Steel Industries Limited> on which you choose to vote.
 - 11) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES

implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- 17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

III. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen

signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;chandisteelindustries@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

IV. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

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

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

Route Map to the AGM Venue



DIRECTORS' REPORT

Dear Members

Your Directors take pleasure in presenting the Forty Fourth Annual Report along with the summary of the Audited Financial Statement of your Company for the financial year ended 31st March, 2022.

FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	Financial Year ended 31 st March, 2022	Financial Year ended 31 st March, 2021
Revenue from Operations (Net) and Other Income	43,234.28	23,029.89
Less: Total Expenses	40,559.37	22,358.77
Profit/(Loss) before exceptional items and tax	2,674.91	671.12
Less: Exceptional items	-	-
Profit before Tax (PBT)	2,674.91	671.12
Less: Current Tax Expenses (Net)	684.96	173.42
Deferred Tax	(4.99)	(12.90)
Short Provision related to earlier year	1.73	-
Total Tax Expense	681.7	160.52
Profit after Tax (PAT)	1,993.21	510.60
Other Comprehensive Income	0.42	0.92
Total Comprehensive Income	1993.63	511.52
Earnings per share (excluding extraordinary items) (of Rs each)		
Basic and Diluted	18.92	4.85

FINANCIAL PERFORMANCE AND STATE OF COMPANY AFFAIRS

The net revenue from operations and other income for the financial year under review was Rs. 43,234.28/- lacs in 2021-22 in comparison to Rs. 23,029.89 lacs in 2021-22. The Profit before Tax (PBT) for the year increased to Rs. 2674.91 lacs as compared to Rs. 671.12 lacs in the previous year.

The COVID-19 pandemic has led to the unprecedented health crisis and has disrupted economic activities and global trade while weighing on consumer sentiments. During the year under review, the nation experienced high severity and mortality of citizens brought by the second wave of the ongoing COVID-19 pandemic. With intermittent nationwide lockdowns and disruption in regular economic activities, there was price volatility of raw materials and sluggish market demand during first half of the year under review. However, the Company dealt with the pandemic by continuing to focus on operational excellence, marketing strategies, and keeping its employees and community at the core of it.

DIVIDEND

In aspect of the uncertain market situations, ability of the Company to act viably and profitably and in lieu of requirement of funds for total fixed expenses and operations of the Company, your Directors do not recommend a dividend for the financial year 2021-22.

TRANSFER TO RESERVES

Your Company is focused to balance cost, quality and aspiration for consumer affordability at every price point. The Company has preserved an amount of Rs.1993.20 Lacs in the Statement of Profit and Loss and thus no sum has been sent to the General Reserves.

FORFEITURE OF PARTLY PAID-UP EQUITY SHARES OF THE COMPANY

Forfeiture of 5,000 partly paid Equity Shares of face value of Rs. 10/- (Rupees Ten only on which total amount of Rs.37,500/- remains unpaid. The details of which are as follows:

The Company had issued the final demand cum forfeiture notice on 03-04-2021 to the partly paid equity shareholders of the Company demanding the payment of outstanding money towards the partly paid Equity Shares allotted to them. The notice specified the fact that on failure to pay the outstanding money within one month of the notice, their shares will be liable to be forfeited.

Even after giving three reminders, the shareholders had not paid the allotment money on the partly paid equity shares allotted to them. Considering the stated facts, the Board of Directors of the Company at their meeting held on 28th June, 2021 approved the forfeiture of partly paid Equity shares on which outstanding allotment money were still unpaid.

The Calcutta Stock Exchange vide its letter dated 15th July, 2022 approved the forfeiture of 5,000 partly paid Equity Shares of the Company on which total amount of Rs.37,500/- was unpaid.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

SHARE CAPITAL

The Authorized Share Capital of the Company as at 31st March, 2022 stands Rs. 12,00,00,000/- and the Company's paid up share capital as at 31st March, 2022 stands at Rs. 10,53,50,000/-

The members of the Company passed the following Resolutions through Postal Ballot on Thursday, 26th May, 2022.

- Increase in the Authorized share Capital of the Company from Rs. 12,00,00,000/- (Rupees Twelve Crores only) divided into 1,20,00,000 (One Crore Twenty Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each to Rs. 37,00,00,000/- (Rupees Thirty Seven Crores only) divided into 3,70,00,000 (Three Crore Seventy Lakhs) equity shares of Rs. 10/- (Rupees Ten Only) each by creation of 2,50,00,000 (Two Crores Fifty Lakhs) equity shares of Rs. 10/-(Rupees Ten only) each ranking pari-passu with the existing equity shares.
- To create, offer, issue and allot, in one or more tranches, Equity Shares of face value of Rs.10/- each (the "Securities") by way of a rights issue to the existing shareholders of the Company including resident/foreign shareholders on a record date, at such price at a premium or discount to the market price, considering the prevailing market conditions and such other considerations that the Board may in its absolute discretion decides, such that the aggregate value (including premium) does not exceed Rs. 21.50 crores ("Rights Issue")

or such other sum as may be determined by the Board and on such other terms and conditions as may be mentioned in the Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer, and/ or Application Forms to be issued by the Company in respect of the Rights Issue (collectively referred to as "Issue Documents"), proposed to be utilised for the purpose of repayment of borrowings, working capital requirement and general corporate purposes and/or any other purpose that the Board may decide.

- Alteration of the object clause of the memorandum of association of the company in accordance with the companies act, 2013.
- Adoption of new set of the articles of association of the company in accordance with the companies act, 2013.

CHANGE IN NATURE OF BUSINESS, IF ANY

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

SUBSIDIARIES, ASSOCIATES OR JOINT VENTURE COMPANIES

As on the date of reporting, your Company does not have any subsidiaries, associates or joint venture companies.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Changes in Directors and KMP

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Shri Susanta Sarkar (DIN – 06449312) retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The proposal regarding the re-appointment of the aforesaid director sought members' approval. The Board of Directors recommend his re-appointment.

Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 17th June, 2022 has appointed Shri Harsh Jajodia (DIN : 07022106) as an Additional Director of the Company who holds office upto the date of the ensuing Annual General Meeting.

Pursuant to the provisions of the Act, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 17th June, 2022 has appointed Shri Harsh Jajodia (DIN : 07022106) as an Whole - time Director of the Company for a period of 3 (three) years with effect from 1st July, 2022 subject to the approval of the members at the ensuing Annual General Meeting.

Based on the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company at its meeting held on 18th August, 2022 has approved the following appointment/ re-appointment

- Re-appointment of Shri Devendra Prasad Jajodia (DIN 00045166) as Managing Director of the Company in accordance with the provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) and subject to approval of the members and such other authorities as may be required, for a further period of 5 (five) years commencing from 1st April, 2023 upon the terms and conditions of appointment as set out in the agreement of the reappointment.
- Appointment of Smt. Sweta Bhutra (DIN – 09701964), as an Additional Director (Category –Non Executive Independent Director) of the Company for a period of 5 years with effect from 13th August, 2022 subject to the approval of the members at the forthcoming Annual General Meeting.

A brief resume of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting is incorporated in the Notice calling the said meeting.

The Board recommends the aforementioned appointments for approval of the members at the ensuing AGM. The brief resume and other details as required under the Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Directors seeking approval of the members for the appointment/re-appointment of the Directors at the ensuing Annual General Meeting have been incorporated in the notice of the Forty Third Annual General Meeting of the Company along with brief details about them.

None of the directors are disqualified for being appointed as Directors, as specified in Section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all independent directors of the Company have enrolled themselves on the independent directors databank and will undergo the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid rules.

During the year, there has been no other change in the Key Managerial Personnel of the Company. Details pertaining to their remuneration have been provided in the Copy of Annual Return available on the website of the company "www.chandisteel.com".

Statement of declaration given by independent directors

All the Independent Directors have furnished the requisite declarations under Section 149(7) of the Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

B. Separate Meeting of Independent Directors of the Company

Details of separate meeting of Independent directors held in terms of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in the Corporate Governance Report.

C. Familiarization programme for Independent Directors

The familiarization program was imparted to the Independent Directors by the Company to state their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters.

Pursuant to Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company should familiarise the independent directors through various programmes about the Company. During the year under review, a familiarization programme was conducted with the presence of all Independent Directors of the Company. The details of the familiarisation programmes are available at the website of the Company at: "www.chandisteel.com".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has formulated a policy on dealing with Related Party Transactions. The Policy is also available on the Company's Website "www.chandisteel.com". The policy intends to ensure that proper reporting, approval and

disclosure processes are in place for all transactions between the Company and its related parties. All the contracts/arrangements/transactions entered into with Related Parties during the financial year 2021-22 as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were in the ordinary course of business and on arms length basis.

It is to be stated that the Company has entered into certain related party transactions as defined under Section 188(1) of the Companies Act, 2013 and material related party transactions exceeding ten percent of the annual turnover as per the last audited financial statements.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with other applicable provisions, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all material related party transaction ('MRPT') with an aggregate value exceeding Rs.1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Amidst the backdrop of the aforementioned provisions, approval of the shareholders was taken through postal ballot on Thursday, 26th May, 2022 to enter/continue to enter into Material Related Party Transaction(s) with various Related Parties. Further pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members is sought to be taken at the ensuing Annual General Meeting for material related party transactions.

All related party transactions are placed quarterly before the Audit Committee for consideration and approval. Further, prior Omnibus Approval has been obtained from the Audit Committee of the Company at the committee meeting held on 8th February, 2022 in respect of related party transactions.

All Related Party Transactions in accordance with Indian Accounting Standard (Ind AS) 24 are disclosed are annexed into the notes to financial statements forming part of the Annual Report. Particulars of contracts or arrangements with related parties along with the justification for entering into such contract or arrangement is annexed as "**Annexure A**" in form AOC – 2 and forms a part of Board's Report.

NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of Section 178 and 134(3)(e) of the Companies Act, 2013 read with relevant rules thereunder and Regulation 19 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your company has formulated a 'Nomination and Remuneration' Policy which includes the criteria for determining qualifications, positive attributes and independence of a director, sets out the terms and conditions for appointment and remuneration of the Directors, Key Managerial Personnel and other employees. The said Policy has been hosted on the Company's website under the weblink "www.chandisteel.com". The same is attached as "**Annexure – B**" and forms an integral part of this Report.

MEETINGS OF THE BOARD HELD DURING THE YEAR

It is to be noted that your Company followed the prescribed rules and provisions of the Companies Act, 2013, Secretarial Standard – 1 (SS-1) as issued by the Institute of Company Secretaries of India and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board Business. During the year under review, 10 (Ten) Board Meetings were convened and the intervening gap between

two consecutive meetings did not exceed 120 days. The dates of the meetings of the Board of Directors of the Company are 5th April, 2021; 15th May, 2021; 10th June, 2021; 28th June, 2021; 26th July, 2021; 10th August, 2021; 25th October, 2021; 10th November, 2021, 8th February, 2022 and 10th March, 2022, the details of which are given in the Corporate Governance Report.

The detail and the number of board meetings attended by each Director during the financial year 2021-22 has been provided in the Corporate Governance Report forming part of this report.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your company has five board level committees comprising of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Internal Complaints Committee. The Board periodically evaluates the performance of all committees as a whole. Further, composition of the various committees of the Board is also hosted on the website of the Company viz “www.chandisteel.com”. The details of the Committees of the Board are provided in the Report on Corporate Governance forming part of this Annual Report.

AUDIT COMMITTEE

As on 31st March, 2022, the Audit Committee comprises of Smt. Rakhi Bajoria (Non-Executive Independent Director), the Chairman of the Committee, Shri Devendra Prasad Jajodia (Executive Director) and Shri Ashok Kumar Choudhary (Non-Executive Independent Director). The Board has accepted all recommendations made by the Audit Committee during the year.

Other details about the Audit Committee and other Committees of the Board are provided in the Report on Corporate Governance forming part of this Annual Report.

WHISTLE BLOWER /VIGIL MECHANISM

The Company has adopted and formulated a formal mechanism for all directors, employees and vendors of the Company termed vigil mechanism for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. It requires every Director or employees to swiftly report to the management any actual or possible violation of the code or any event wherein he or she becomes aware of that which could affect the business or reputation of the Company and also report instances of leak of unpublished price sensitive information. The Policy safeguards the whistle blower to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee. The said policy has been made available on the website of the Company viz. “www.chandisteel.com”.

Your Company annually reviews any instances of fraud and mismanagement inside the affairs of the Company. During the year 2021-22, there has been no such instances. Further, there has been no change to the whistle blower policy during the financial year.

BOARD EVALUATION

The Board carried out an annual performance evaluation of its own performance, the performance of the Independent Directors individually as well as the evaluation of the working of the committees of the Board. The performance evaluation of all the directors was carried out by the Nomination and Remuneration Committee. The performance

evaluation of the chairman and the Non-Independent Directors was carried out by the Independent Directors. Details of the same are given in the Report on Corporate Governance annexed hereto

FRAUDS REPORTED BY AUDITORS

The Statutory Auditors of the Company have not reported any fraud as specified in Section 143(12) of the Companies Act.

SECRETARIAL STANDARD

The Company has complied with the applicable Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) and 134(5) of the Companies Act, 2013, the Board of Directors to the best of their knowledge and ability confirm:

- i. In the preparation of annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. We have selected such accounting policies and applied them consistently and made judgments and made estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2022 and of the profit of the Company for the year ended on that date;
- iii. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts for the financial year ended 31st March, 2022, have been prepared on a going concern basis;
- v. Internal financial controls to be followed by the Company were laid down and that such internal financial controls are adequate and were operating effectively;
- vi. Proper systems were devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RISK MANAGEMENT

Risk management is the process of identifying, assessing and controlling threats to an organization's capital and earnings. These threats, or risks, could stem from a wide variety of sources, including financial uncertainty, legal liabilities, strategic management errors, accidents and natural disasters. IT security threats and data-related risks, and the risk management strategies to alleviate them, have become a top priority for digitized companies. As a result, a risk management plan increasingly includes companies' processes for identifying and controlling threats to its digital assets, including proprietary corporate data, a customer's personally identifiable information and intellectual property.

Your Company is exposed to inherent uncertainties owing to the sectors in which it operates and the Company has a framework in line with risk management process of identifying, prioritizing and mitigating risks which may impact attainment of short and long term business goals of the Company. Your Company has been periodically assessing the key risks areas which may affect the business goals and periodically revisits the relevance of the identified risks and

progress of the mitigation plans undertaken. The risk management framework is interwoven with strategic planning, deployment and capital project process of the Company. The process aims to analyse the internal and external environment and manage economic, financial, market, operational, compliance and sustainability risks and capitalizes opportunities for business success.

The Board of Directors of your Company has approved and adopted a Risk Management Policy of the Company. The policy contains a detailed framework of risk assessment by evaluating the probable threats taking into consideration the business line of the Company, monitoring the risks so assessed and managing them well within time so as to avoid hindrance in its growth objectives that might in any way threaten the existence of your Company. The said policy is also available on the website of the Company “www.chandisteel.com”.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

A vigorous system of internal control, which is compatible with the range and nature of its business, forms an integral part of the Company’s Corporate Governance policies. The Board has devised systems and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

We, at Chandi Steel, have an internal audit function that inculcates best standards and practices. The scope of work, authority and resources of Internal Audit are regularly reviewed by the Audit Committee and its work is supported by the services of accountancy firms. The members of the Audit Committee of your Company are well versed with the financial management. The Internal Audit conducted also provides assurance to the Board on the effectiveness of relevant internal controls.

The Committee calls for comments of the internal and statutory auditors about the Company’s internal audit and scope of audit. During the year under review, such controls were tested and no material weaknesses in the operations were discovered.

AUDITORS AND AUDITORS’ REPORT

Statutory Auditors

M/s. B Y Jatania & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the 39th AGM held on 23rd September, 2017 to hold office from the conclusion of that AGM till the conclusion of the 44th AGM. M/s B Y Jatania & Co. would be completing his tenure as Statutory Auditors of the Company on the conclusion of this AGM.

Pursuant to the applicable provisions of the Act, on the recommendation of the Audit Committee of the Board, it is proposed to appoint M/s JHS & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company to hold office from the conclusion of the 44th AGM until the conclusion of the 49th AGM. The Company has received a letter from M/s JHS & Associates LLP confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Act and meet the criteria for appointment specified in Section 141 of the Act. Necessary resolution for the appointment of M/s JHS & Associates LLP, Chartered Accountants as the Statutory Auditors is included in the Notice of the ensuing AGM.

The Auditors’ Report given by the Auditor M/s. B Y Jatania & Co. to the shareholders for the financial year 2021-22 does not contain any qualification, reservation, adverse remark or disclaimer. Comments/Qualification of the Auditors in their report and the notes forming part of the Accounts are self-explanatory and further do not call for any clarification or comments. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under 134(3)(ca) of the Act.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit record maintained by the Company is required to be audited. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Mondal & Associates, Cost Accountants, Kolkata for conducting the cost audit of the Company for Financial Year 2022-23.

As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors for the financial year 2021-22 is required to be ratified by the members of the Company. Accordingly, resolution seeking members ratification for remuneration to be paid to Cost Auditors is included in the Notice convening Annual General Meeting.

Your Company has filed the Cost Audit Report for the financial year 2020-21 with the Registrar of Companies, Ministry of Corporate Affairs in the XBRL mode during the year under review.

Internal Auditor

In line with the requirements of Section 138 of the Companies Act, 2013 and rules made there under M/s S Khaitan & Co., Chartered Accountants of 139, Narkeldanga Main Road, Kolkata - 700 011, were appointed as the Internal Auditor at the meeting of the Board of Directors held on 13th August, 2022 for the Financial Year 2022-23 to conduct internal audit of the functions and activities of the Company. The Audit Committee of the Company periodically reviews the Internal Audit Report and checks for any findings and follow up thereon.

Secretarial Auditor

Ms. Priti Todi (ACS:14611), Practising Company Secretary, Partner of Bajaj Todi & Associates (formerly P.S. & Associates), was appointed to conduct the secretarial audit of the Company as required under Section 204 of the Companies Act, 2013, and rules made thereunder. The Secretarial Audit Report in Form MR-3 as prescribed, issued by Ms. Priti Todi is annexed as “Annexure C” and forms a part of this report.

The secretarial audit report to the shareholders for the year under review does not contain any qualifications, reservations and adverse remark or disclaimer. The observations made in the secretarial auditor’s report are self explanatory and therefore do not call for further elucidation.

The Company has also undertaken an audit for the FY 2021-22 pursuant to SEBI Circular No. CIR/CFD/CMO/I/27/2019 dated February 08, 2019 for all applicable compliances as per the Securities and Exchange Board of India Regulations and Circular/ Guidelines issued thereunder. The Report (Annual Secretarial Compliance Report) has been duly submitted to the Stock Exchange for the financial year ended March 31, 2022.

COPY OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and 134(3)(a) of the Companies Act, 2013 a copy of the Annual Return has been placed on the website of the Company under the weblink “www.chandisteel.com”.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees and Investments as on the financial year ended 31st March, 2022 as covered under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Note No. 4, 6.4 and 28 of the notes to Financial Statements provided in the Annual Report.

DEPOSITS

During the year under review, your Company has not accepted/received any deposits from the public within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, no amount of deposit remained unpaid or unclaimed at the end of the year i.e. as on 31st March, 2022. Subsequently, no default has been made in repayment of deposits or payment of interest thereon during the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and the future operations of the Company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

The Company is committed to observing good corporate governance practices and adhere to Corporate Governance guidelines as laid out in the Listing Regulations. In terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance along with Compliance Certificate and Management Discussion and Analysis are annexed to this report and forms integral part of this Report.

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

Your Company endeavours to provide equal opportunity and key positions to women professionals. As per the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder your company has formulated an Internal Complaints Committee having designated members to redress complaints against Sexual Harassment. During the year under review, there were no complaints reported against pertaining to Sexual Harassment.

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

The relevant information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, is annexed herewith as “**Annexure D**” forming part of Annual Report.

PARTICULARS OF EMPLOYEES AND OTHER RELATED DISCLOSURES

The information required to be disclosed in the Directors’ Report pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as “**Annexure E**” forming part of this report.

The statement containing names of top ten employees in terms of remuneration drawn and their other details as required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

Your Company does not have any other employee whose particulars are required to be furnished under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code for Prevention of Insider Trading with a view to regulate trading in equity shares of the Company by the Directors and designated employees of the Company. The said Code of Conduct is available on the website of the Company at "www.chandisteel.com". The Code requires preclearance for dealing in Company's shares and prohibit the purchase or sale of shares in your company by the Directors and designated employees, while they are in possession of unpublished price sensitive information and also during the period when the Trading Window remains closed.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of Companies Act, 2013 and rules made there under, your Company has a Corporate Social Responsibility Committee. The terms of reference of the Corporate Social Responsibility Committee is provided in the Corporate Governance Report. The Corporate Social Responsibility Policy (CSR Policy) formulated under recommendation of Corporate Social Responsibility Committee is available in the website of the company.

Further, as per the requirement of Section 135 of the Companies Act, 2013, the companies specified therein are required to spend at least two percent of the average net profits made during the three immediately preceding financial years towards CSR activities.

The brief outline Corporate Social Responsibility(CSR) Policy of the Company as adopted by the Board and the initiatives undertaken on CSR activities during the year are set out in **Annexure-F** of this Report in the format prescribed in the Companies(Corporate Social Responsibility) Rules, 2014. For other details regarding the CSR Committee, please refer to Corporate Governance Report.

LISTING

The equity shares of the Company are listed on The Calcutta Stock Exchange Limited (CSE).

ACKNOWLEDGEMENT

Your Directors 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 wish to place on record their appreciation for the sincere services rendered by employees of the Company at all levels. The Directors also commend the continuing commitment and dedication of all employees at all levels, which has been integral part for the Company's success. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors

Sd/-

Devendra Prasad Jajodia
Managing Director
(DIN: 00045166)

Place: Kolkata
Date: 18th August, 2022

“Annexure –A”

Form AOC – 2

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

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

1. Details of contracts or arrangements or transactions not at arm’s length basis:

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2022, which were not at arm’s length basis.

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

Details of material contracts or arrangement or transactions at arm’s length basis for the year ended 31st March, 2022 are as follows:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts /arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any (` in Lacs)
(a)	(b)	(c)	(d)	(e)	(f)
Jai Salasar Balaji Industries Private Limited (JSBIPL) (Shri Devendra Prasad Jajodia is a Common Promoter Director & Member.	Purchase/sale of goods/products in ordinary course of business	Ongoing	Based on transfer pricing guidelines	08.02.2022	Nil

NOMINATION AND REMUNERATION POLICY

PREFACE

Human Resource occupies an important place in the organisation's growth. Chandi Steel Industries Limited (“the Company”) has been built on the active assistance, commitment, dedication, hard work and loyalty of its employees. The Board is committed to transparent, fair and sound policies for determining appropriate remuneration at all levels of the Company.

As we are growing, personal and professional development of the directors and employees becomes important to motivate them as also to ensure efficient functioning of the organisation.

VISION

Effective people management for creating competitive advantage for all stakeholders and creating a transparent system for determining the appropriate level of remuneration to Directors, Key Managerial Personnel (KMP) and other senior management employees.

OBJECTIVE

- To attract, nurture and retain the best talent by inculcating a culture of learning, performing, developing creativity and teamwork;
- To ensure reasonable remuneration to the Directors, KMP and other employees so as to motivate them of the quality required to run the Company successfully;
- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

MONITORING OF THE POLICY

The implementation of the Nomination and Remuneration Policy shall be monitored by the Nomination and Remuneration committee of the Board constituted as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

PURPOSE OF THE COMMITTEE

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

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- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

Nomination

The Nomination and Remuneration Committee shall identify potential candidates with appropriate qualification, knowledge, expertise and experience.

When considering candidates, the Committee strives to achieve a balance of knowledge, experience and accomplishment such that the Company reflects a diversity of talent, age, skill, expertise and perspective. While evaluating a Director, KMP or other senior management employees for recommending to the Board, the Committee shall take into consideration various criteria that are in the best interests of the Company and its stakeholders, some of which are given hereunder:

- Educational qualifications and experience of the candidate so as to be in terms with the applicable laws, rules, regulations as laid down in the Companies Act, 2013, listing regulations and other applicable acts;
- Willingness of a person to act as such;
- The candidate should reflect the highest standards of integrity, ethics and character, and value such qualities in other;
- The candidate should have the ability to devote sufficient time to the business and affairs of the Company;
- Demonstrate the capacity and desire to represent, fairly and equally, the best interests of the Company's stockholders as a whole;
- Access the present as well as future needs of the Company. Further, while nominating Directors, it must be ensured that the Board is structured in a way that:
 - it has proper understanding of and expertise to deal with the present as well as emerging business issues
 - exercises independent judgement
 - encourage enhanced performance of the business as a whole.

Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors and employees who continue to satisfy the Committee's criteria, whom the Committee believes to continue to make important contributions towards the growth, reputation and well being of the Company as a whole and who consents to continue their service with the Company.

Further, in addition to the above criteria, the appointment of Independent Directors of the Company shall also

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be guided by the following Terms and Conditions in compliance with schedule IV to the Companies Act, 2013.

- The appointment of Independent Directors shall be independent of the company management. While selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively;
- The appointment of Independent Directors shall be approved at the meeting of the Shareholders;
- The appointment of Independent Directors shall be formalised through a letter of appointment stating the requisite details as per the requirements of schedule IV of the Companies Act, 2013;
- The Independent Directors shall be appointed for a fixed term of upto five years or such lesser term as may be decided mutually between the Board and the Directors and shall be eligible for re-appointment for a further term of upto five years on passing a special resolution by the Company. Further, no Independent Director shall hold office for more than two consecutive terms. However, they shall be eligible for re-appointment after the expiration of cooling period of three years of ceasing to become an Independent Director;
- The Independent Directors shall be responsible for complying with the duties as specified under section 166 of the Companies Act, 2013. Further, their liabilities shall also be limited to the respective provisions of the Companies, 2013 and rules made there under;
- Independent Directors shall be expected to ensure compliance with the Code of Conduct as laid down by the Company;
- Independent Directors shall be paid sitting fees subject to the provisions of the Companies Act, 2013 and rules made there under as well as the terms of this policy.

Remuneration

The committee shall:

- meet at least once in a year
- ensure that the quorum of either two members or one third of the members of the committee, whichever is greater, including at least one independent director is present
- ensure that the compensation to the Board, KMP and other senior management employees is reasonable and sufficient to attract, retain and motivate quality directors and KMPs;
- approve any significant changes in the executive director's contract;
- determine payment of sitting fees, if any payable for directors for attending meetings of the Board;
- ensure that there is balance between fixed pay and incentive based pay (if any) in the remuneration to be paid the Directors, KMPs and other senior management employees.

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Directors Remuneration

The Company may pay remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the Shareholders. Commission, if any, shall be calculated with reference to net profits of the Company in a particular financial year and shall be determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Sections 197 read with Schedule V of the Companies Act, 2013.

Senior Management Remuneration

The salary of other senior management employees shall be competitive and based on the individual's qualification, experience, responsibilities and performance and shall be governed by the HR policy of the Company.

Determining criteria for performance evaluation of the Board and Individual Directors

The Board shall evaluate its own performance based on the following criteria:

- Composition of the Board in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ;
- Frequency of meetings held during the year and matters taken up thereat;
- Ability of the Board to take uniform decisions for the betterment of the Company taking into consideration the individual views of all the Directors comprising it;
- Its wisdom and judgement to help the Company prosper;
- Ability of the Board to evaluate risk and devise suitable measures to mitigate them etc.

The Board shall evaluate the performance of individual directors (including independent directors) based on the following criteria:

- Attendance of the individual directors and level of participation at the meetings of the Board and committees thereof and the general meetings;
- Contribution in long term strategic planning;
- Professional conduct and independence;
- Level of commitment etc.

The above list is illustrative.

Such performance evaluation of Directors (including independent directors) shall be done by the entire Board of Directors (excluding the director being evaluated).

In case of Independent Director, the Board shall determine whether to extend or continue the term of appointment of the Independent Director on the basis of the report of performance evaluation carried by the Board.

In addition to the above, the Board shall also evaluate the performance of various Board level Committees.

BAJAJ TODI & ASSOCIATES

Practising Company Secretaries

225D, A. J. C. Bose Road
Kolkata - 700020, West Bengal, India
Tel: +91 33 22809045 Email: ps@bajajtodi.in

FORM MR - 3 SECRETARIAL AUDIT REPORT for the financial year ended 31st March, 2022

[Pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with 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,
Chandi Steel Industries Limited.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Chandi Steel Industries Limited.** (hereinafter called "the Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

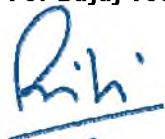


- b. The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021;
 - c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
3. The Company is engaged in the business of manufacturing Alloy & Non-Alloy Steel Bars – round & flat, Alloy & Non- Alloy Steel scrap. No Act specifically for the aforesaid businesses is/are applicable to the Company.
4. We have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s) as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. As per the information and explanations provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we report that under the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder, to the extent of:
 - (i) External Commercial Borrowings were not attracted to the Company under the financial year under report;
 - (ii) Foreign Direct Investment (FDI) were not attracted to the Company under the financial year under report;
 - (iii) Overseas Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary abroad were not attracted to the Company under the financial year under report.
6. During the financial year under report, the Company has complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards, etc., mentioned above.
7. As per the information and explanations provided by the company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.
8. We have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, and Regulations to the Company.
9. We further report that:
 - (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.
 - (c) All the decisions of the Board and Committees thereof were carried through with requisite majority.
10. 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.

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.

For Bajaj Todi & Associates



(Priti Todi)

Partner

C.P. No: 7270, ACS: 14611

Place: Kolkata

Date: 28/05/2022

Note: My attendance for the purpose of physical verification and examination of the records of the company was impracticable due to lockdown restrictions imposed by the Government due to COVID-19 and I have, therefore, relied on the electronic data as provided by the company to gather information's and proper records as necessary for verification.

'Annexure A'

To,
The Members
Chandi Steel Industries Limited.

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

For Bajaj Todi & Associates



(Priti Todi)
Partner
C.P. No: 7270, ACS: 14611

Place: Kolkata
Date: 28/05/2022

INFORMATION PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF COMPANIES (ACCOUNTS) RULES, 2014, PERTAINING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022:

A. Conservation of energy:

- a) Steps taken or impact on conservation of energy and steps taken by the Company for utilizing alternate sources of energy:

Continuous efforts/measures are being initiated and training programmes are being imparted to the workers at plant level for conservation of energy.

- b) Capital investment on energy conservation equipment:

No Capital Investment has been made on energy conservation equipment.

B. Technology absorption:

- i. Efforts made towards technology absorption:

Continuous efforts are being made during the design, engineering and construction stage to ensure that the technology is understood and necessary measures to minimize energy consumption are incorporated in the plant.

- ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

As a result of above efforts, there was improvement in product quality and productivity, better availability of materials, increase in house capability and saving in fixed processing cost.

- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

- | | |
|---|------------------|
| a. The details of technology imported | : Nil |
| b. The year of import | : Not Applicable |
| c. Whether the technology been fully absorbed | : Not Applicable |
| d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | : Not Applicable |

- iv. Expenditure incurred on Research and Development: NIL

C. Foreign exchange earnings and outgo:

Details of Foreign Exchange earned in terms of actual inflows and outgo in terms of actual outflows during the year under reporting:

(Rs. in Lacs)		
Particulars	2021-22	2020-21
Inflows	16,443.89	9,103.14
Outgo	20.86	13.00

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“Annexure E”

DETAILS PURSUANT TO SECTION 197(12) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

- i) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Sl. No.	Name of Director	Ratio
1.	Shri Devendra Prasad Jajodia	45.86 times
2.	Shri Susanta Sarkar	2.09 times
3.	Shri Ashok Kumar Choudhary	0
4.	Shri Sumit Kumar Rakshit	0
5.	Smt. Rakhi Bajoria	0

- ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

In the financial year under review, there has been an increase in the remuneration of Shri Susanta Sarkar, Director, by 36.39%, Shri Tushar Kanti Sarkar, Chief Financial Officer by 28.88% and Smt. Seema Chowdhury, Company Secretary by 30.57%. There has been no change in the remuneration of the Shri Devendra Prasad Jajodia, Managing Director in the financial year under review.

- iii) The percentage increase in the median remuneration of employees in the financial year:**

There was no increase in the Median remuneration of employees in the financial year.

- iv) The number of permanent employees on the rolls of the Company:**

There were 232 employees on the rolls of the Company as on 31st March, 2022.

- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 12% whereas average increase in the managerial remuneration was 32.09%.

The salary increase is based on compensation philosophy of the organisation which takes into account internal as well as external factors.

- vi) It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.**

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and
the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR policy of the Company:

We, at Chandi Steel believes that by exhibiting socially, environmentally and ethically responsible behaviour in governance of its operations, the business can generate value and long term sustainability for itself while making positive contribution for the betterment of the society.

The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

2. Composition of the Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sumit Kumar Rakshit	Independent Non-Executive Director (Chairman)	1	1
2.	Mr. Devendra Prasad Jajodia	Executive Director (Member)	1	1
3.	Ms.. Rakhi Bajoria*	Independent Non-Executive Director (Member)	1	1

*Ms. Sweta Bhutra has been appointed as the member of the Committee in place of Ms. Bajoria w.e.f. 13th August, 2022.

- Provide the Web-link where Compositions of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: “www.chandisteel.com”
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 : Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (In Rs.)	Amount required to be set-off for the financial year (In Rs.)
1.	2020-2021	0.24 lacs	0.24 lacs

CHANDI STEEL INDUSTRIES LIMITED**CIN: L13100WB1978PLC031670****ANNUAL REPORT 2021-2022****6. Average Net Profit of the Company as per section 135(5):**

The average Net Profit for the Company in the Financial Year calculated as per Section 198 of the Act during the three immediately preceding financial year amounts to Rs. 1184.12 lacs.

7. (a) Two percent of average net profit of the company as per section 135(5): Rs. 23.68 lacs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: NIL
 (c) Amount required to be set off for the financial year: 0.24 lacs
 (d) Total CSR obligation for the financial year (7a+7b-7c): 23.44 lacs
8. (a) Details of CSR spent or unspent for the financial year:

Total amount spent for the financial year	Amount unspent				
	Total amount transferred to unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso of section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
25.54 lacs	N.A.				

(b) Details of CSR amount spent against **ongoing projects** for the financial year: N.A

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the project	Items from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.		Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and	Yes	West Bengal	Kolkata	2.00 lacs	No	Calcutt a South Round Table 17 Trust	

CHANDI STEEL INDUSTRIES LIMITED
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		livelihood enhancement projects.							
2.		Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water	Yes	West Bengal	Kolkata	15.45 lacs	Yes		
3.			Yes	West Bengal	Liluah	8.10 lacs	Yes		
Total						25.54 lacs			

(d) Amount spent in Administrative overheads: NIL

(e) Amount spent on Impact Assessment: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 25.54 lacs

(g) Excess amount for set off:

Sl No.	Particular	Amount
i.	Two percent of average net profit of the company as per section 135(5)	23.68 lacs
ii.	Total amount spent for the financial year	25.54 lacs
iii.	Excess amount spent for the financial year (ii-i)	1.86 lacs
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
v.	Amount available for set off in succeeding financial years (iii-iv)	1.86 lacs

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): N.A.

CHANDI STEEL INDUSTRIES LIMITED

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10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: NA
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): N.A

Sd/-
Devendra Prasad Jajodia
Managing Director

Sd/-
Sumit Kumar Rakshit
Chairman CSR Committee

Date: 18th August, 2022
Place: Kolkata

Report of the Directors on Corporate Governance

Corporate Governance is the application of best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth for sustainable development of all stakeholders.

Corporate Governance practices constitute the strong foundation on which successful organizations are built to last. The Company is committed to the adoption of best governance practices and their adherence in true spirit at all times. Our Company always aims towards building trust and enhancing its stakeholders' values on a sustainable basis. Effective Corporate Governance practices have been the Company's hallmark inherited from its culture and ethos.

It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

In accordance with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 ("The Listing Regulations") read with disclosure requirements relating to the Corporate Governance Report contained in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015, the details of compliance by the Company with the norms on Corporate Governance are as under:

1 COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

In a rapidly changing business and technological environment, your Company regularly reviews its strategic direction, operational efficiency and effectiveness, and reliable reporting and compliances to meet various stakeholders' expectations and achieve long-term sustainability.

The Company's philosophy on Corporate Governance revolves around the principles of ethical governance. It aims at conducting business in an efficient manner and meeting its obligations to shareholders and other stakeholders with a firm commitment to values. Our Corporate Governance framework ensures that we adopt corporate practices based on principles of transparency, accountability, fairness, and integrity to create a sustainable value for all our stakeholders. The Company emphasizes developing a transparent relationship of trust and faith with the stakeholders of the Company and conduct its business which is symbiotic for growth of the Company as well as the people associated with it.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.
- Transparency in the functioning and practices of the Board.
- Equitable treatment and rights of the shareholders.
- Maintenance of ethical culture within and outside the organization

2 BOARD OF DIRECTORS

The Board of Directors ("the Board") is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

The Board of Directors of the Company is duly constituted under the Chairmanship of Shri Devendra Prasad Jajodia, a Promoter Executive Director. Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that where the Chairperson of the board is not a regular Non-Executive Director, at least half of the board shall comprise of Independent Directors.

• Composition and Category of Directors

As on 31st March, 2022, the Board consists of 5 directors, comprising of:

- 1 Promoter Executive Director
- 1 Professional Executive Director and
- 3 Independent Non-Executive Directors

The detailed composition of the Board as on 31st March, 2022 is tabled below:

Name of Directors	Category
Shri Devendra Prasad Jajodia	Promoter Executive Director (Chairman & Managing Director)
Shri Susanta Sarkar	Professional Executive Director
Shri Ashok Kumar Choudhary	Non-Executive Independent Director
Shri Sumit Kumar Rakshit	Non-Executive Independent Director
Smt. Rakhi Bajoria	Non-Executive Independent Director

During the year under review there was no change in the composition of the Board of Directors. However, in accordance with the provision of the Act, 2013 and rules made thereunder and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 17th June, 2022 have appointed Mr. Harsh Jajodia (DIN : 07022106) as a Whole-time Director(Promoter Category)of the Company for a period of three years w.e.f 1st July, 2022 subject to approval by the members at the ensuing General Meeting of the Company.

Also Smt. Rakhi Bajoria (DIN: 07161473), Independent Director has tendered her resignation vide letter dated 10th August, 2022, from the Board of Directors of the Company w.e.f 13th August, 2022 due to pre-occupation elsewhere and therefore on recommendation made by the Nomination & Remuneration Committee, the Board of Directors at their meeting held on 13th August, 2022 has appointed Smt. Sweta Bhutra (DIN : 09701964) as an Additional Director (category: Non-executive Independent) subject to approval by the members at the ensuing AGM in place of Smt. Rakhi Bajoria.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the

management.

None of the Independent Directors of the Company participate in the day-to-day functioning of the Company nor do they engage in any business dealing or other relationships with the group (other than in situations permitted by the applicable regulations) in order to act in the best interest of the stakeholders with independent decisions.

Appointment Letters of the present Independent Directors setting out their terms and conditions, roles, functions, duties and responsibility of appointment as per the provisions of Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been hosted on the Company's Website www.chandisteel.com in adherence to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per declarations received by the Company, none of the independent directors/non-promoter directors are related to each other or to the promoters.

▪ **Particulars of attendance of each Director at Board Meetings and last Annual General Meeting**

The Notice along with the Agenda for each meeting along with Explanatory Notes were communicated to the Board of Directors, Committee Members and Shareholders in advance as per the provisions of Companies Act, 2013, Listing Regulations and Secretarial Standards (SS1 & SS2) issued by the Institute of Company Secretaries of India.

During the financial year 2021-22, 10(Ten) meetings of the Board were held viz., 5th April, 2021; 15th May, 2021; 10th June, 2021; 28th June, 2021; 26th July, 2021; 10th August, 2021; 25th October, 2021; 10th November, 2021, 8th February, 2022 and 10th March, 2022. The maximum time gap between two consecutive board meetings did not exceed one hundred and twenty days and the necessary quorum was present at all the meetings.

The attendance of each Director at the Board meetings during the financial year 2021-22 and at the last Annual General Meeting held on 30th September, 2021 are listed below:

Name of Directors	No. of Board Meetings attended	Whether attended last AGM
Shri Devendra Prasad Jajodia	10	Yes
Shri Susanta Sarkar	10	Yes
Shri Ashok Kumar Choudhary	10	Yes
Shri Sumit Kumar Rakshit	10	Yes
Smt. Rakhi Bajoria*	10	Yes

**Smt Rakhi Bajoria cease to be the Director of the Company w.e.f 13th August, 2022.*

Ms. Seema Chowdhury, Company Secretary of the Company and Mr. Tushar Kanti Sarkar, CFO of the Company were present at all meetings of the Board of Directors held during the financial year 2021-22 and at the last Annual General Meeting of the Company.

During Financial year 2021-22, information as mentioned in Part A of Schedule II of the Listing Regulations has been placed before the Board for its consideration.

• **Particulars of Number of other Directorship and Committee Membership/Chairmanship**

The Number of directorship and committee membership/chairmanship held by each director in other companies as on 31st March, 2022 is tabled below:

Name of Directors	Number of directorship held in other companies		Number of committee position held in Public Limited Companies ***		List of Directorship held in other listed companies and Category of Directorship
	Public Limited Companies*	Others**	Committee Membership	Committee Chairmanship	
Shri Devendra Prasad Jajodia	1	2	-	-	-
Shri Susanta Sarkar	-	-	-	-	-
Shri Ashok Kumar Choudhary	-	-	-	-	-
Shri Sumit Kumar Rakshit	1	-	-	1	-
Ms. Rakhi Bajoria	1	-	1	-	Jai Balaji Industries Limited-Independent Director

*It does not include directorship in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and private limited companies but includes alternate directorships in public limited companies (excluding Chandi Steel Industries Limited).

**Directorship of any private limited companies (including alternate directorship), foreign companies and companies under section 8 of the Companies Act, 2013 have been considered.

***Membership(s)/Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (excluding Chandi Steel Industries Limited) have been considered.

Pursuant to Regulation 17A of the Listing Regulations, none of the directors serve as a director in more than seven listed entities. Further, none of the Independent Directors of the Company serves in more than seven listed entities and none of the whole-time directors of the Company serves as an independent director in more than three listed entities.

None of the directors serve as a member in more than ten committees or act as a chairperson of more than five committees across all the listed entities in which they serve as a director pursuant to Regulation 26 of the Listing Regulations.

Directors informed the Company whenever there is change in directorship or committee membership in any other company in which he is director or committee member. The Board duly took note of the declaration received from the Director in the Board Meetings. All members of the Board and senior management affirm compliance with the code of conduct of board of directors and senior management on annual basis. Further, senior management have made disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large, if any.

The facts and figures as stated above are based on the declarations received from the directors for the financial year ended 31st March, 2022.

List of Core Skills / Expertise / Competencies of directors

A chart or matrix setting out the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively are as under :-

Sl. No.	Attributes	Description
(1)	Industry	(a) Experience in and knowledge of the industry in which the Company operates (b) Experience and knowledge of broader industry environment and business planning
(2)	Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
(3)	Professional	Expertise in professional areas such as Technical, Accounting, Finance, Legal, Human Resources, Marketing, etc.
(4)	Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
(5)	Behavioural	Knowledge and skills to function well as team members, effective decision making processes, integrity, effective communication, innovative thinking.

Director	Attributes				
	Industry	Strategy and Planning	Professional	Governance	Behavioural
Shri Devendra Prasad Jajodia	Yes	Yes	Yes	Yes	Yes
Shri Susanta Sarkar	Yes	Yes	Yes	Yes	Yes
Shri Ashok Kumar Choudhary	Yes	Yes	Yes	Yes	Yes
Shri Sumit Kumar Rakshit	Yes	Yes	Yes	Yes	Yes
Ms. Rakhi Bajoria	-	Yes	Yes	Yes	Yes

- Performance Evaluation of Board**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the Listing Regulations, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee (NRC) and by the Board.

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated by the Independent Directors, taking into account the views of executive directors and non executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The performance evaluation of independent directors was done by the board of directors excluding the ones whose evaluation was to be carried out including the fulfillment of the independence criteria as specified in the Listing Regulations and independence of independent directors from the management.

The Directors expressed their satisfaction with the evaluation process.

- **Separate Meeting of Independent Director**

During the year 2021-22, as per requirement of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on 10th March, 2022 without the presence of non-independent directors and members of the management. The meeting was conducted by Independent Directors to:

- ❖ Evaluate the performance of Non-Independent Directors and the Board of Directors as a whole.
- ❖ Evaluate the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- ❖ Evaluate the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

- **Familiarization Programme for Independent Directors**

In Compliance with Regulation 25(7) of the Listing Regulations, the Company has conducted familiarisation cum induction programme for the independent directors on 10th March, 2022.

The induction programme included one-to-one interactive sessions with the Managing Director. The Chairman updated the Directors about the present scenario of the Steel Industry and what position our Company holds in the industry. The Chairman further informed the Directors about the Company's product suit & portfolio overview, the business model of the Company, the nature of steel sector in which the Company operates, the major challenges keeping in view the cyclical swings that the steel industry is subject to, particulars arising from factors such as excess capacity, regional demand & supply imbalances and volatile swings in market demand and prices, more recently exacerbated by swings in input prices as well as changes in the regulatory environment which is a matter of serious concern. The Chairman briefed the Directors about the strategies and growth plans devised by the Company to survive in the challenging environment taking into consideration the suggestions extended by the Directors. The Independent Directors were also informed about the recent amendments notified by MCA.

The details on the Company's Familiarisation Programme for Independent Directors can be accessed at the website of the Company i.e www.chandisteel.com.

- **Independent director databank registration**

The IDs have in terms of Section 150 of the Act read with Rule 6 of the Companies(Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Director's Databank maintained with the Indian Institute of Corporate Affairs.

- **Shareholding of Non-Executive Directors**

None of the Non-executive Directors held shares as on 31.03.2022.

The Company has not issued any convertible instruments during the year 2021-22.

3 BOARD COMMITTEES

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a vital role in improving Board effectiveness in areas where more focused and extensive discussions are required. Some of the Board functions are performed through specially constituted Board Committees comprising of Executive and Non-Executive/Independent Directors. Board Committees ensure focused discussion and expedient resolution of diverse matters.

As on 31st March, 2022, the Company had following committees - Audit Committee, Nomination & Remuneration Committee (formerly known as Remuneration Committee), Stakeholders' Relationship Committee (formerly known as Share Transfer Cum Investors' Grievance Committee), Corporate Social Responsibility Committee and Internal Complaints Committee. Composition of various committees of the Board of Directors is also hosted on the website www.chandisteel.com.

The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees report to the Board about the deliberations and decisions taken by the Committees. The recommendations of the committees are submitted to the Board for approval.

During the year under review, all recommendations of the Committees were approved by the Board. The minutes of the meetings of all Committees of the Board are placed before the Board for noting. The Chairperson of the Audit Committees, Nomination and Remuneration Committee and Stakeholders Relationship Committee were present at the previous Annual General Meeting.

The role, composition and terms of reference of all committees including the number of meetings held during the financial year ended 31st March, 2022 and the related attendance are as follows:

❖ AUDIT COMMITTEE

The Company has constituted an Audit Committee in compliance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations which is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process.

Terms of Reference:

The terms of reference of the Audit Committee include the role as stipulated and review of information as laid in Part C of Schedule II of Listing Regulations. The brief description of the terms of reference of the Audit Committee in line with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), 2015 are as follows:

- * Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- * Recommendation for appointment, remuneration and terms of appointment of the auditors of the company;
- * Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- * Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval with particular reference to:
 - a) matters required to be included in the directors' responsibility statement to be included in the Board's Report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes if any, in accounting policies and practices and reasons for the same
 - c) major accounting entries involving estimates based on the exercise of judgement by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transaction;
 - g) modified opinion(s) in the draft audit report;
- * Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- * Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- * Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- * Approval or any subsequent modification of transactions of the company with related parties;
- * Scrutiny of inter-corporate loans and investments;
- * Valuation of undertakings or assets of the company, wherever it is necessary;
- * Evaluation of internal financial controls and risk management systems;
- * Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- * Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- * Discussion with internal auditors of any significant findings and follow up there on;
- * Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- * Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- * To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- * To review the functioning of the whistle blower mechanism;
- * Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- * Carrying out any other functions as mentioned in the terms of reference of the Audit Committee.
- * Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- * To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition, the Audit Committee also mandatorily reviews the following:

- * Management discussion and analysis of financial condition and results of operation;
- * Management letters/letters of internal control weaknesses issued by the Statutory Auditors;
- * Internal Audit Reports relating to internal control weaknesses; and
- * The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- * Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1)
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The Audit Committee have authority to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary. The scope of activity of the Committee is also in consonance with the provisions of Section 177 of the Companies Act, 2013.

▪ Composition of the Committee

As on 31st March, 2022, the Audit Committee comprises of 3 Directors, Shri Sumit Kumar Rakshit, Non-Executive Independent Director (Chairman), Shri Devendra Prasad Jajodia, Executive Promoter Director and Shri Ashok Kumar Choudhary, Non-Executive Independent Director.

During the year under review there was no change in the composition of the Committee.

Smt. Seema Chowdhury, Company Secretary acts as the Secretary to the committee. All the members of the Committee are financially literate and have knowledge on accounting or financial management.

The Composition of the Committee is hosted on the website of the Company i.e www.chandisteel.com.

▪ Meetings of the Audit Committee and Attendance of the Members at the meetings

During the financial year 2021-22, 5 (Five) meetings of the Audit Committee were held viz., 15th May,

2021, 28th June, 2021; 10th August, 2021; 10th November, 2021, and 8th February, 2022. The maximum time gap between two consecutive audit committee meetings did not exceed 120 days. The necessary quorum was present at all the meetings.

Shri Sumit Kumar Rakshit, Chairman of the Committee, Shri Devendra Prasad Jajodia and Shri Ashok Kumar Choudhary attended all the meetings during the year under review.

Shri Tushar Kanti Sarkar, Chief Financial Officer of the Company was invited at the meetings of the Committee and he attended all the meetings. Further, the Audit Committee invites, as and when it considers appropriate, the statutory auditors and the internal auditors to be present at the meetings of the Committee. The representatives of the Cost Auditor attend the Audit Committee meeting when the Cost Audit Report is tabled for discussion.

Smt. Seema Chowdhury, the Company Secretary acts as the Secretary to the Audit Committee.

Shri Sumit Kumar Rakshit, the Chairman of the Audit Committee was present at the 43rd Annual General Meeting of the Company held on 30th September, 2021.

❖ NOMINATION & REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee constituted pursuant to the provisions of Regulations 19 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

Terms of Reference:

The terms of reference include matters included in Section 178 (2) to (4) of Companies Act, 2013 read with Part D of Schedule II of the Listing Regulations. The brief terms of reference of the Committee include the following:

- * Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- * For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity;
 - and
 - c. consider the time commitments of the candidates.
- * Formulation of criteria for evaluation of performance of independent directors and Board of directors;
- * Devising a policy on diversity of board of directors;
- * Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of directors their appointment and removal.

- * Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent director.
- * To recommend to the board, all remuneration, in whatever form, payable to senior management.
- * To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- * To ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- * To ensure that Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- * To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;

The terms of reference include matters included in Section 178 (2) to (4) of Companies Act, 2013 read with Part D of Schedule II of the Listing Regulations.

▪ **Composition of the Committee**

As on 31st March, 2022, the Nomination and Remuneration Committee comprises of 3 Directors, Smt. Rakhi Bajoria, Non-Executive Independent Director (Chairman), Shri Ashok Kumar Choudhary, Non-Executive Independent Director and Shri Sumit Kumar Rakshit, Non-Executive Independent Director.

During the year under review there was no change in the composition of the Committee.

However after cessation of Smt. Rakhi Bajoria from the Board of Directors of the Company w.e.f 13th August, 2022, the Board at its meeting held on 13th August, 2022 has approved the re-constitution of the Committee by induction of Smt. Sweta Bhutra(DIN 09701964) in place of Smt. Rakhi Bajoria.

The performance of Independent Directors are evaluated on various parameters but not limited to – attendance, preparedness for meetings, updation on developments, participation, engaging with management, ensuring integrity of financial statements and internal control, ensuring risk management and mitigation etc.

The Composition of the Committee is hosted on the website of the Company i.e www.chandisteel.com

▪ **Meetings of the Nomination & Remuneration Committee and Attendance of the Members at the meetings**

During the financial year 2021-22, 1 (One) meeting of the committee was held viz., 10th August, 2021.

Smt. Rakhi Bajoria, Shri Sumit Kumar Rakshit and Shri Ashok Kumar Choudhary have attended all the meetings held during the year.

Smt. Rakhi Bajoria, the Chairman of the Committee was present at the last Annual General Meeting to answer the queries of the shareholders.

• **Remuneration Policy**

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy on remuneration of Directors and Senior Management Employees. The Company's remuneration policy is directed towards rewarding performance based on periodic review of the achievements. The remuneration policy has been disclosed in the Annual Report as "**Annexure-B**" to the Directors Reports.

▪ **Criteria of making payments:**

Overall remuneration paid to the Board, Key Managerial Personnel's and other Senior Management employees are reasonable and sufficient to attract, retain and motivate them aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future growth imperatives). The remuneration package of the Executive Directors is determined by the Nomination and Remuneration Committee in accordance with the Remuneration policy of the Company. The recommendations of the Committee are considered and approved by the Board, subject to the approval of the members of the Company.

➤ **Executive Directors:**

The Company pays remuneration by way of salary as a fixed component. As on 31st March, 2022, the Board comprises of 2 executive directors i.e, Shri Devendra Prasad Jajodia, Managing Director and Shri Susanta Sarkar, Executive Director of the Company. The remuneration paid to Shri Devendra Prasad Jajodia is governed by terms and condition of appointment mentioned in the agreement of Shri Devendra Prasad Jajodia which includes his tenure for 5 years as effective from 1st April, 2018. Remuneration paid to Shri Susanta Sarkar is Rs.87,83,393/- per annum.

There is no separate provision for notice period & payment of severance fees. The Company does not have any scheme for grant of Stock Options to its Directors, Managing Directors or other employees.

(in Rs.)

Name of the Directors	Salary (per annum)	Benefits / Allowances, etc. (fixed component)	Total
Shri Devendra Prasad Jajodia	84,00,000	Nil	84,00,000
Shri Susanta Sarkar	3,83,393	Nil	3,83,393
Total	87,83,393	Nil	87,83,393

The Company does not have any scheme for grant of Stock Options to its Directors, Managing Directors or other employees.

➤ **Non-Executive Directors:**

The Non-Executive Directors have waived-off their sitting fees. Therefore, no sitting fee for participation in the Board Meeting/Committee meeting or any commission is paid by the Company to the Non-executive Directors.

▪ **All Pecuniary Relationship or Transaction of the Non-executive Directors**

The Non-executives Independent Directors of the Company does not have any material pecuniary relationships or transactions with the Company or its directors or senior management other than in the ordinary course of business.

The Non-Executive Directors do not hold any shares or convertible instruments of the Company as on 31st March, 2022.

❖ **STAKEHOLDERS' RELATIONSHIP COMMITTEE (FORMERLY KNOWN AS SHARE TRANSFER CUM INVESTORS' GRIEVANCE COMMITTEE)**

The Board of Directors of the Company has constituted a Stakeholders Relationship Committee of the Board in terms of the requirements of Section 178 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 20 of the Listing Regulations. Stakeholders' Relationship Committee looks into various aspects of interest of shareholders, debenture holders and other security holders.

Terms of Reference:

The terms of reference include matters included in Section 178 of Companies Act, 2013 read with Part D of Schedule II of the Listing Regulations. The brief terms of reference of the Committee include the following:

- * Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- * Review of measures taken for effective exercise of voting rights by shareholders.
- * Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- * Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- * To review and note all matters relating to the registration of transfer and transmission of shares and debentures, transposition of shares, sub-division of shares, issue of duplicate share certificates or allotment letters and certificates for debentures in lieu of those lost/misplaced;
- * To review dematerialisation and rematerialisation of the shares of the Company;
- * To comply with all such directions of SEBI, Stock Exchanges, Ministry of Corporate Affairs & other regulatory bodies w.r.t. shareholders'/investors' rights and market regulations, from time to time.

● **Composition of the Committee**

As on 31st March, 2022, the Stakeholders Relationship Committee comprises of 3 Directors, Smt. Rakhi Bajoria, Non-Executive Independent Director (Chairman), Shri Devendra Prasad Jajodia, Promoter Executive Director and Shri Sumit Kumar Rakshit, Non-Executive Independent Director.

During the year under review there was no change in the composition of the Committee.

However after cessation of Smt. Rakhi Bajoria from the Board of Directors of the Company w.e.f 13th August, 2022, the Board at its meeting held on 13th August, 2022 has approved the re-constitution of the Committee by induction of Smt. Sweta Bhutra(DIN 09701964) in place of Smt. Rakhi Bajoria.

Smt. Seema Chowdhury, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the Secretary to the Committee.

● **Meetings of the Stakeholders' Relationship Committee and Attendance of the Members at the meetings**

During the financial year 2021-22, 4 (Four) meetings of the Stakeholder's Relationship Committee were held viz., 28th June, 2021; 10th August, 2021; 10th November, 2021 and 8th February, 2022.

Smt. Rakhi Bajoria, Shri Devendra Prasad Jajodia and Shri Sumit Kumar Rakshit have attended all the 4 meetings held during the year.

The Company Secretary also attended all Stakeholders Relationship Committee Meetings held during the year.

● **The details of investor complaints received, pending or solved during the year**

Number of shareholders complaints pending as on 1 st April, 2021	:	NIL
Number of shareholders complaints received during the year ended 31 st	:	NIL

March, 2022

Number of shareholders complaints not solved to the satisfaction of the Shareholders : NIL

Number of shareholders complaints pending as on 31st March, 2022 : NIL

It is confirmed that there was no request for registration of share transfers/ transmission lying pending as on 31st March, 2022 and that all request for issue of new certificates, sub-division or consolidation of shareholding, etc, received up to 31st March, 2022 have been processed. The Company has an efficient system in place to record and process all requests for dematerialization and re-materialization of shares in the Company through National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL).

Status of Investor Complaints was also placed before the Board and was filed with the Stock Exchanges wherein the equity shares of the Company are listed pursuant to Regulation 13 of the Listing Regulations.

❖ **RISK MANAGEMENT COMMITTEE**

The formation of Risk Management Committee is not applicable on our Company for the financial year under review.

❖ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Company has constituted a Corporate Social Responsibility Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014.

▪ **Terms of reference of the committee**

- * To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject as specified in Schedule VII of the companies Act, 2013;
- * To recommend the amount of expenditure to be incurred on such activities; and
- * To monitor the Corporate Social Responsibility Policy of the Company from time to time.

As per the requirements of section 135(5) of the Companies Act, 2013 the company is required to spend at least two percent of its average net profits made during the three immediately preceding financial years towards CSR Activities.

In view of the above, the Company had been looking for proper avenues to deploy the required funds for its CSR activity. During the financial year 2021-22, the Company was supposed to spend Rs. 24.39 Lakhs to fulfill its CSR obligations but it has actually spent Rs. 25.54 Lakhs. This expenditure includes social contributions like setting up Vaccination programme and Health checkup camp during the second wave of covid pandemic and contribution to a registered trust named "Calcutta South Round Table 17".

However, CSR and Sustainable Development has always been one of the leading priorities of the Company and the Company continues to undertake a wide range of CSR activities to contribute towards welfare and betterment of the society. Therefore, as a good corporate practice and for better governance, the Company shall continue to strive towards spending for CSR the way it has been doing in past years.

The CSR policy of the Company is hosted on the website of the Company i.e. "www.chandisteel.com".

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During the financial year under review 1(one) meeting of the members of the Committee was held viz., on 15th May, 2021.

• **Composition of the Committee and Attendance of the Members at the meetings**

Name of the Members	Category	No. of meetings
Shri Sumit Kumar Rakshit (Chairman)	Independent Non-Executive Director	1
Shri Devendra Prasad Jajodia	Executive Director	1
Smt. Rakhi Bajoria *	Independent Non-Executive	1

**Smt. Rakhi Bajoria cease to be a director of the Company w.e.f 13.08.2022*

***Smt Sweta Bhutra will be appointed as a member in place of Rakhi Bajoria w.e.f 13.08.2022.*

❖ **Internal Complaints Committee**

In pursuance of the Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder, the Board of directors of the Company formulated the Internal Complaints Committee. Further, a policy on prevention of sexual harassment of women at the workplace was duly approved and adopted by the Company and is available on the website of the Company. The basic procedure followed in the Committee is complying with the natural justice and fair play to the aggrieved person and providing protection to women at workplace.

The Committee comprised of 4(Four) members as on 31st March, 2022, out of which the Chairman of the Committee is the Presiding Officer. Details of members and their attendance at the meeting held are stated hereunder:

Name of the Members	Category	No. of meetings attended
Smt. Seema Chowdhury	Presiding Officer	1
Smt. Premalata Soni	Outside member	1
Shri Sumit Kumar Rakshit	Member	1
Shri Tushar Kanti Sarkar	Member	1

During the financial year under review a meeting of the members of the Committee was held on 10th March, 2022, for noting details of the complaints received/resolved by the Committee during the year and all the members attended the meeting.

In line with the requirements of Section 21 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, further details of Complaints received/resolved by the Committee during the year is stated hereunder:

No. of Complaints of Sexual Harassment received during the	:	NIL
No. of Complaints disposed off during the year	:	NIL
No. of cases pending for more than 90 days	:	NIL
No. of Complaints pending as on end of the financial year	:	NIL
No. of workshops or awareness programme against sexual harassment carried out	:	NIL
Nature of action taken by the employer	:	NIL

4 GENERAL BODY MEETINGS

❖ Annual General Meeting (AGM)

The location, date and time of the last three Annual General Meeting are as follows:

Financial Year	Day & Date	Time	Location
2020-21	Thursday, 30 th September, 2021	01:00 P.M	Registered Office: 3, Bentinck Street, Kolkata – 700 001 (through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”))
2019-20	Wednesday, 30 th September, 2020	1:00 P.M	Registered Office: 3, Bentinck Street, Kolkata – 700 001 (through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”))
2018-19	Thursday, 26 th September, 2019	11:00 A.M.	Registered Office: 3, Bentinck Street, Kolkata – 700 001

❖ Special Resolutions passed in the previous 3 Annual General Meetings

The following Special Resolutions were taken up in the last three AGMs and were passed with requisite majority.

2020-21	No special resolution was passed in this AGM.
2019-20	i. Reappointment of Shri Ashok Kumar Choudhary (DIN: 07603658) as Independent Director of the Company for a period of 5(Five) years w.e.f 1 st September, 2021. ii. Reappointment of Shri Sumit Kumar Rakshit (DIN: 07603642) as Independent Director of the Company for a period of 5(Five) years w.e.f 1 st September, 2021.
2018-19	No special resolution was passed in this AGM.

❖ Special Resolution passed through postal ballot during financial year 2020-21

No special resolution was passed through the exercise of postal ballot during the financial year under review. During the F.Y 2022-23 the following special resolutions were passed by requisite majority by means of postal ballot and e-voting:

Date of Passing Resolution	Purpose
26 th May, 2022	Alteration of the object clause of the Memorandum of Association by deletion of the existing clause 4(B) and 4(C) and insertion of new clause IV(B)/4(B) in the Memorandum of Association of the Company.
26 th May, 2022	Adoption of new set of the Articles of Association of the Company in accordance with the companies act, 2013

❖ Extra-ordinary General Meeting

No special resolution was passed through Extra-Ordinary General Meeting during the last three years under review.

5 DISCLOSURES**▪ Related Party Disclosures**

All material transactions entered into with related parties as defined under the Act and Regulation 23 of the Listing Regulations during the financial year were in ordinary course of business. These have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website www.chandisteel.com. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its related parties. All the contracts/arrangements/transactions entered into with Related Parties during the financial year 2021-22 as defined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were in the ordinary course of business and on arms length basis.

The Company has entered into certain material related party transactions with its related parties which are continuing beyond 31st March, 2022 and they do not have any potential conflict with the interest of the Company at large. Further, approval of the members has been taken at the 43rd Annual General Meeting of the Company held on 30th September, 2021. Considering the fact that the Company frequently enters into transactions with its related parties and such transactions are repetitive in nature, the Company has at the meeting of the Audit Committee held on 28th January, 2021 obtained omnibus approval of the Committee for the F.Y 2021-22 for all related party transactions subject to their value not exceeding Rs.1 (One) crore per transaction valid upto a period of 1 (One) year from the date of such approval pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company at its meeting held on 8th February, 2022 has obtained a fresh approval for the F.Y 2022-23 which shall be valid for a period of 1 (one) year pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Statement of such transactions is periodically placed before the audit committee for review. Also, all related party transactions are placed before the audit committee for approval. Further, approval from the members has been taken at the previous Annual General meeting for such transactions.

The Company has entered into certain related party transactions exceeding ten percent of the annual turnover as per the last audited financial statements.

Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') read with other applicable provisions, as amended vide Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all material related party transaction ('MRPT') with an aggregate value exceeding Rs.1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

Amidst the backdrop of the aforementioned provisions, approval of the shareholders was taken through postal ballot on Thursday, 26th May, 2022 to enter/continue to enter into Material Related Party Transaction(s) with various Related Parties. Further pursuant to Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members is sought to be taken at the ensuing Annual General Meeting for material related party transactions.

Further, the transactions entered into by the Company were on arms length pricing basis and in the ordinary course of business with no intention to defraud the creditors and shareholders. The related party transactions were entered into based on various business emergencies such as legal requirements, liquidity, long-term strategy and capital resources, etc.

The Indian Accounting Standards (Ind AS 24) by the Institute of Chartered Accountants of India, have been followed while preparation of the financial statements. A comprehensive list of all related party transactions entered into by the Company forms a part of Note No. 29 to the financial statements in the Annual Report.

The Board of Directors of the Company has adopted a Related Party Transaction Policy in place, pursuant to the requirements of Section 188 of the Companies Act, 2013 and Rules framed thereunder and Regulation 23 of the Listing Regulations. The Policy is available on the website of the company viz. "www.chandisteel.com"

▪ **Capital Market Disclosures**

There have been no instances of non-compliances by the Company on any matter related to capital markets, during the last three years and thus no penalty and/or strictures are imposed on the Company by any Stock Exchanges or SEBI or any other statutory authority during last 3 years.

▪ **Details of non-compliance**

There was no non-compliance of any of the provision applicable to the Company. No penalties or strictures have been imposed on the Company by Stock Exchange, Board or any Statutory Authority for non-compliance of any matter related to the capital markets.

▪ **Forfeiture of Partly Paid-up Equity Shares of the Company**

Forfeiture of 5,000 partly paid up Equity shares of the Company on which total amount of Rs.37,500/-remains unpaid. The details of which are as follows:

The Company has issued the final demand cum forfeiture notice on 03-04-2021 to the partly paid equity shareholders of the Company demanding the payment of outstanding money towards the partly paid Equity Shares allotted to them. The notice specified the fact that on failure to pay the outstanding money within one month of the notice, their shares will be liable to be forfeited.

The shareholders did not pay the balance allotment money on the partly paid equity shares allotted to them even after the issuance of the final demand cum forfeiture notice to them. Considering the stated facts, the Board of Directors of the Company at their meeting held on 28th June, 2021, approved the forfeiture of partly paid Equity shares on which outstanding allotment money are still unpaid. Necessary intimation in this regard has been given to NSDL, CDSL and CSE. The Company has received the approval from NSDL and CSE and pursuing the matter with CDSL, where it is still pending.

▪ **Details of Establishment of Vigil Mechanism, Whistleblower Policy and affirmation that no personnel has been denied access to the audit committee**

As per requirements of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism/ Whistle Blower Policy for directors and employees to enable directors and employees to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimisation of Director(s)/ Employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases.

The Company hereby affirms that no Director/ employee have been denied access to the Chairman and that no complaints were received during the year. The Whistle Blower Policy has been disclosed on the Company's website www.chandisteel.com.

▪ **Details of Utilization of Funds Raised Through Preferential Allotment or Qualified Institutions Placement As Specified Under Regulation 32 (7A)**

The Company has not raised any funds through preferential allotment or qualified institutions placement during the year under review. Hence, the disclosure of details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32 (7A) of the Listing Regulations is not applicable.

▪ **List of all Credit ratings obtained-** Not applicable

▪ **A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate has been received from Priti Todi, a Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

▪ **Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.**

Details relating to fees paid to the Statutory Auditors are given in Note 24 of the Financial Statements.

▪ **Disclosure of Accounting Treatment**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, as amended from time to time.

The financial statements of the Company have been audited by M/s. B. Y. Jatania & Co., Chartered Accountants, Statutory Auditor of the Company.

▪ **Code of Conduct**

The Company has in place a comprehensive Code of Conduct for all the Board Members (incorporating, inter-alia, duties of Independent Directors) and Senior Management Personnel of the Company. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. The Company has received confirmations from all concerned regarding their adherence to the said Code. The Code has been hosted on the Company's website "www.chandisteel.com".

Pursuant to the Listing Regulations, Chairman & Managing Director of the Company confirmed compliance with the Code by all members of the Board and the Senior Management personnel and forms part of this Annual Report.

▪ **Insider Trading**

In order to regulate trading in securities of the Company by the Directors and designated employees, your Company has adopted a Code of Conduct for trading in listed or proposed to be listed securities of the Company. Insider Trading Code prevents misuse of unpublished price sensitive information and it also provides for periodical disclosures and obtaining pre-clearance for trading in securities of your Company by the Directors, Designated Employees and Connected Persons of your Company. Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto, the Company has adopted Policy for Legitimate purposes forming part of the Company's Code of

Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as effective from 1st April, 2019. This Code is displayed on the Company's website viz "www.chandisteel.com"

The Company follows highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider shall use his or her position with or without the knowledge of the Company to gain personal benefit or to provide benefit to any third party. The policy adopted on this by the Company is available on the website of the Company viz "www.chandisteel.com"

▪ **Management Discussion and Analysis Report**

Pursuant to Regulation 34 of the Listing Regulations, 2015, a detailed report on Management Discussion and Analysis forms a part of Directors Report.

▪ **Proceeds from public issues, rights issues, preferential issues, etc.**

The Company has not raised any money from public issues, rights issues, preferential issues, etc. during the financial year 2021-22.

▪ **Subsidiary Companies**

The Company does not have any subsidiaries as on 31st March, 2022.

▪ **CEO and CFO Certification**

The Managing Director and the Chief Financial Officer certification is provided in this Annual report in terms of Regulation 17(8) of the Listing Regulations, 2015 as per the format specified in Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Devendra Prasad Jajodia, Managing Director and Shri Tushar Kanti Sarkar, Chief Financial Officer of the Company have also given quarterly certificate on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

▪ **Risk Management**

The Company's risk management framework identifies and evaluates business risks and opportunities. The Company recognises that these risks need to be managed and mitigated to protect its shareholders and other stakeholders' interest, to achieve its business objectives and enable sustainable growth. The risk framework is aimed at effectively mitigating the Company's various business and operational risks, through strategic actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risks and future action plans. The Company has devised a policy on Risk Management which is hosted on the Company's Website viz www.chandisteel.com.

▪ **Reconciliation of Share Capital Audit**

The Company has engaged Smt. Premlata Soni, a Practising Company Secretary to carry out the share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

▪ **Auditors' Certificate on Corporate Governance**

As required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors' Certificate on Corporate Governance is annexed to the Boards' Report.

▪ **Details of compliance with mandatory requirements**

- * The Company has complied with all applicable mandatory requirements as specified in the Listing Regulations, to the extent these apply, extend and possible to the Company.
- * The Company has also adopted a Policy on Determination of Materiality of events to be disclosed with the Stock Exchange which is available on the website of the Company www.chandisteel.com pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- * The Company has adopted a Policy for Preservation of Documents approved by the Board of Directors in relation to preservation of documents which shall be permanent in nature and preservation of documents with preservation period of not less than 8 years of the completion of the relevant transfers as per Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

▪ **Adoption of Non-Mandatory Requirement or Discretionary Requirements**

* **The Board**

Shri Devendra Prasad Jajodia, Chairman and Managing Director of the Company is an Executive Chairperson.

* **Shareholder rights**

The Quarterly, half-yearly and annual financial results of the Company as reviewed by the Audit Committee and then approved by the Board of Directors and all the significant events of the Company were submitted to the Stock Exchanges within the prescribed time and updated on the website of the Company viz. "www.chandisteel.com". These information are not sent to each shareholder personally.

* **Modified opinion(s) in Audit Report**

The Company's Financial Statement does not contain any audit qualifications.

* **Reporting of Internal Auditor**

The Internal Auditor reports directly/ indirectly to the Audit Committee.

▪ **Other Compliances**

The Board of Directors quarterly reviews the compliances and laws as applicable to the Company. They also have in place plans for orderly succession for appointment to the Board of Directors and Senior Management.

▪ **Submission of Corporate Governance Report**

The Corporate Governance Report pursuant to Regulation 27 of the Listing Regulations for each quarter for the financial year 2021-22 was duly submitted to the Stock Exchanges within the stipulated time period.

▪ **Annual disclosures received from Directors**

The Annual disclosures i.e Form MBP-1 and DIR-8 received from all the Directors for the F.Y 2021-22 were taken on record by the Board at its meeting held on 5th April, 2021.

6 MEANS OF COMMUNICATION

▪ Quarterly Financial Results

Prior intimation of Board Meetings in which Unaudited/ Audited Financial Results of the Company was considered, approved and were intimated to the Stock Exchange [The Calcutta Stock Exchange Limited (CSE)] and also disseminated on the website of the Company at "www.chandisteel.com". The aforesaid Financial Results are immediately intimated to the Stock Exchange after the same is approved at the Board Meeting. . In terms of Regulation 10 (1) of the Listing Regulations, the Company complies with the online filing requirements on electronic platforms of Calcutta Stock Exchange Limited (CSE).

▪ Newspapers wherein results are normally published

Intimation of Board Meetings and General Meetings, financial results and other publications of the Company are published in "The Financial Express", (English Newspaper) and "Ek Din" (Vernacular Newspaper) as per Regulation 47 of the Listing Regulations and other applicable provisions.

▪ Website

Pursuant to Regulation 46 of the Listing Regulations, Company's website "www.chandisteel.com" contains a separate dedicated section "Investor Relations" which is a comprehensive reference containing the up-to-date financial results, annual reports, shareholding patterns, Company's policies, material disclosures, official news releases, presentations made to institutional investors or to the analysts, if any and other general information about the Company.

▪ Presentation made to Institutional Investors or to the Analyst

The presentations, if any, made to institutional investors and analysts at investors meet from time to time are also posted on the Company's website.

SEBI Complaints Redress System (SCORES):

SCORES is a web-based complaint redress system where the investor grievances received are handled. The pertinent features include: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Contact information of the designated official responsible for assisting and handling Investor Complaints is detailed hereunder :

The Company Secretary
Chandi Steel Industries
Limited
3, Bentinck Street,
Kolkata - 700 001
Phone No.: (91)(33) 2248 9808
Fax: (91)(33) 2243 0021
E-mail: chandisteelindustries@gmail.com

7 GENERAL SHAREHOLDER INFORMATION

<u>44th Annual General Meeting</u>	Day/Date : Tuesday, 20th September, 2022 Time : 12:30 p.m.
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CHANDI STEEL INDUSTRIES LIMITED
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<u>Date of book closure</u>	The Register of Members and Share Transfer Book shall remain closed from Wednesday, 14th September, 2022 to Tuesday, 20th September, 2022. (both days inclusive)								
<u>Financial calendar (tentative schedule) for the year 2022-2023</u>	<p>1st April, 2022 to 31st March, 2023</p> <p>The probable dates for submission of the Financial Results for the financial year 2022-2023:</p> <table border="1"> <tr> <td>1st Quarter Results</td><td>On or before 14th Aug, 2022</td></tr> <tr> <td>2nd Quarter Results</td><td>On or before 14th Nov, 2022</td></tr> <tr> <td>3rd Quarter Results</td><td>On or before 14th Feb, 2023</td></tr> <tr> <td>Annual Results</td><td>On or before 30th May, 2023</td></tr> </table>	1 st Quarter Results	On or before 14 th Aug, 2022	2 nd Quarter Results	On or before 14 th Nov, 2022	3 rd Quarter Results	On or before 14 th Feb, 2023	Annual Results	On or before 30 th May, 2023
1 st Quarter Results	On or before 14 th Aug, 2022								
2 nd Quarter Results	On or before 14 th Nov, 2022								
3 rd Quarter Results	On or before 14 th Feb, 2023								
Annual Results	On or before 30 th May, 2023								
<u>Date of Dividend payment</u>	N.A.								
<u>Listing on stock exchanges</u>	<p>The Calcutta Stock Exchange Limited 7, Lyons Range Kolkata – 700 001</p> <p>The Listing Fees as applicable have been paid</p>								
<u>Scrip code</u>	10013341								
<u>Depositories</u>	<p>National Securities Depository Limited Trade world, 4th Floor, „A“ Wing Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013</p> <p>Central Depository Services (India) Limited 25th Floor, Marathon Futurex, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013</p> <p>Annual Custodial Fees pertaining to year 2021- 22 has been duly paid.</p>								
<u>Demat International Security Identification Number (ISIN) in NSDL and CDSL</u>	INE204G01017								
<u>Corporate Identification Number (CIN)</u>	L13100WB1995PLC031670								

- **Registrar and Share Transfer Agent**
Maheshwari Datamatics Pvt. Ltd
Corporate Office: 23 R.N Mukherjee Road,
5th Floor Kolkata - 700 001
Phone No.: (91) (33) 2243 5029
E-mail: mdpldc@yahoo.com

▪ **Market price data**

The shares of the Company are listed on the Calcutta Stock Exchange Limited but the same are not traded.

Share transfer system

In terms of the Listing Regulations, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialised form except or where the claim is lodged for transmission or transposition of shares or where the transfer deed(s) was lodged prior 1st April, 2019 and returned due to deficiency in the document.

98.58% of the equity shares of the Company are in dematerialised form. Transfer of shares held in electronic mode are processed by the depositories. Requests for Transfer/Transmission of shares held in physical form can be lodged with the Company's Registrar and Share Transfer agents of the Company for share transfers, splits, issue of duplicate share certificates, rematerialisation and dematerialisation etc. Share transfers are processed and share certificates duly endorsed are delivered within a period of fifteen days from the date of receipt of such requests subject to the documents being valid and complete in all respects. The summary of investor complaints, demat/remat/corporate action and transfer/transmission of shares are placed before the Stakeholder's Relationship Committee of the Company periodically.

The Company obtains from a Company Secretary in practice, a yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and files the same with the stock exchanges. Also, pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, certification is issued by a Company Secretary in practice regarding timely dematerialisation of the shares of the Company.

▪ **Categories Of Shareholders as on 31st March, 2022**

1	Category	No. of Shareholders	No. of shares held	As a %age of A+B+C
A	Promoter and Promoter Group Holding			
	Indian	9	41,73,700	39.60
	Foreign	Nil	NIL	NIL
	Total Promoter Shareholding (A)	9	41,73,700	39.60
B	Public Holding			
	Institutions	Nil	Nil	Nil
	Non-Institutions	651	63,66,300**	60.40
	Total Public Shareholding (B)	651	63,66,300	60.40
C	Shares held by Custodian & against which Depository receipts have been issued (C)	NIL	NIL	NIL
	Grand Total (A+B+C)	660	1,05,40,000	100

**Number of shares held in physical form include 5000 partly paid shares which were forfeited by the Board of Directors vide resolution passed at the Board meeting held on 28.06.2021. Necessary intimation in this regard has been given to NSDL, CDSL and CSE. The Company has received approval from NSDL and recently received the approval of CSE on 15th July, 2022 and pursuing the matter with CDSL where it is still pending.

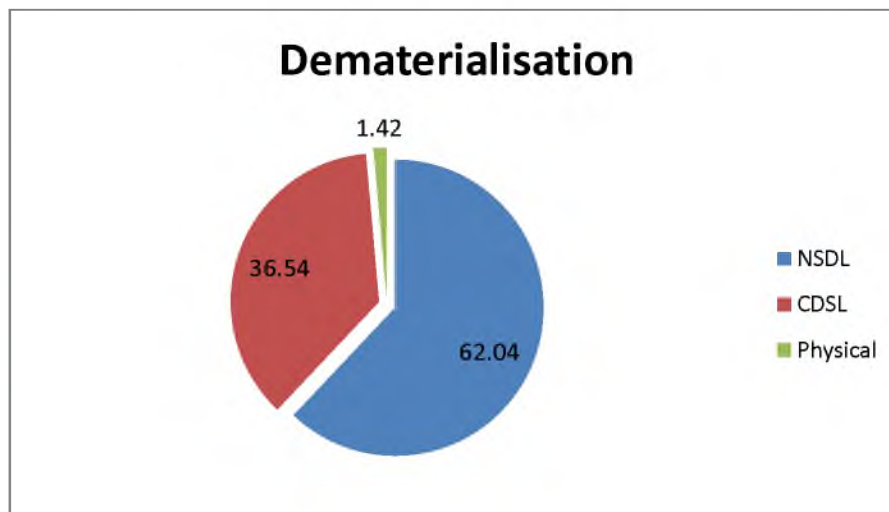
▪ **Distribution of Shareholding as on 31st March, 2022**

Range of ordinary shares held	No of Shareholders	Percentage (%) to total shareholders	No. of Shares	Percentage (%) to share capital
Up to 500	623	94.3939	147600	1.4004
501 to 1000	8	1.2121	7300	0.0693
5001 to 10000	1	0.1515	6402	0.0607
10001 and above	28	4.2424	10378698	98.4696
Total	660	100.00	10540000	100.00

▪ **Dematerialization Of Shares And Liquidity as on 31st March, 2022**

The Shares of the Company are tradable in dematerialized form through both the Depository Systems in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Requests for dematerialization of shares can be sent directly to the Registrar and Share Transfer Agent at M/s. Maheshwari Datamatics Private Limited, 23, R.N Mukherjee Road, 5th Floor, Kolkata- 700 001. As at 31st March, 2021 a total of 1,03,90,100 equity shares of the Company, representing 98.58% of the Company's share capital were held in dematerialised form out of which 65,38,800 representing 62.04% of the total paid-up equity share capital were held with NSDL and 38,51,300 representing 36.54 % of the total paid-up equity share capital with CDSL.

Under the depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 204G01017.



▪ **Outstanding GDRs/ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/Warrants/Convertible Instruments in the past and hence as on 31st March, 2022, the Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments.

▪ **Commodity Price Risk or Foreign Exchange Risk and Hedging activities**

The Company does not deal in commodities and accordingly, no hedging activities for the

CHANDI STEEL INDUSTRIES LIMITED
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same are carried out. Therefore, there is no disclosure to offer in terms of SEBI Circular dated November 15, 2018.

▪ **Plant Locations**

16, Belur Road, Liluah, Howrah

▪ **Address For Correspondence**

The Company Secretary

Chandi Steel Industries

Limited 3, Bentinck

Street,

Kolkata - 700 001

Phone No.: (033) 2248 9808

Fax: (033) 2243 0021

E-mail: chandisteelindustries@gmail.com

For and on behalf of
Chandi steel industries Limited

Place : Kolkata
Date : 13th August, 2022

Sd/-
Devendra Prasad jajodia
Managing Director
DIN : 00045166

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

**To,
The Members of
Chandi Steel Industries Limited
3 Bentinck Street, PS – Hare Street
Kolkata – 700 001**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Chandi Steel Industries Limited** having **CIN - L13100WB1978PLC031670** and having registered office at **3 Bentinck Street, PS – Hare Street, Kolkata – 700 001** (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Officers, we hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2022, have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company.

Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Bajaj Todi & Associates

**(Priti Todi)
Partner
C.P. No.: 7270, ACS: 14611**

**Place: Kolkata
Date: 10/08/2022**

UDIN: A014611D000778319



DECLARATION

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that a Code of Conduct has been laid down by the Board of Directors of Chandi Steel Industries Limited, which has been made applicable to all the Directors and the Senior Management Personnel of the Company.

The Code of Conduct has been affirmed to by all the members of the Board and the Senior Management Personnel of the Company for the year ended 31st March, 2022.

The said Code of Conduct is posted on the website of the Company, namely, www.chandisteel.com.

Place : Kolkata

Date : 13th August, 2022

**Sd/-
Devendra Prasad Jajodia
Managing Director
(DIN: 00045166)**

CEO AND CFO CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To,
The Board of Directors
Chandi Steel Industries Limited**

We, Devendra Prasad Jajodia, Managing Director and Tushar Kanti Sarkar, Chief Financial Officer of Chandi Steel Industries Limited (hereinafter referred to as “the Company”), certify that:

1. We have reviewed the Financial Statements and the Cash Flow Statement of the Company, for the financial year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - i. the aforesaid statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. the aforesaid statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions entered into by the Company during the year are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the step that we have taken or propose to take to rectify the identified deficiencies;
4. That we have indicated to the auditors and the Audit Committee:
 - i. Significant changes, if any, in the internal control over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and;
 - iii. Instances of significant fraud of which we have become aware and the involvements therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: Kolkata
Date : 13th August, 2022**

**Sd/-
Devendra Prasad Jajodia
Managing Director
(DIN – 00045166)**

**Sd/-
Tushar Kanti Sarkar
Chief Financial Officer**

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Chandi Steel Industries Limited

We have examined the compliance of conditions of Corporate Governance by **Chandi Steel Industries Limited** for the year ended **31st March, 2022** as stipulated provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.

We state that in respect of Investors' grievances received during the financial year ended on 31st March, 2022, no Investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

For Bajaj Todi & Associates



(Priti Todi)
Partner
C.P. No.: 7270, ACS: 14611

Place: Kolkata
Date: 10/08/2022

ICSI Firm Registration Number: P2020WB081300

UDIN: A014611D000778321



Industry Structure & Development

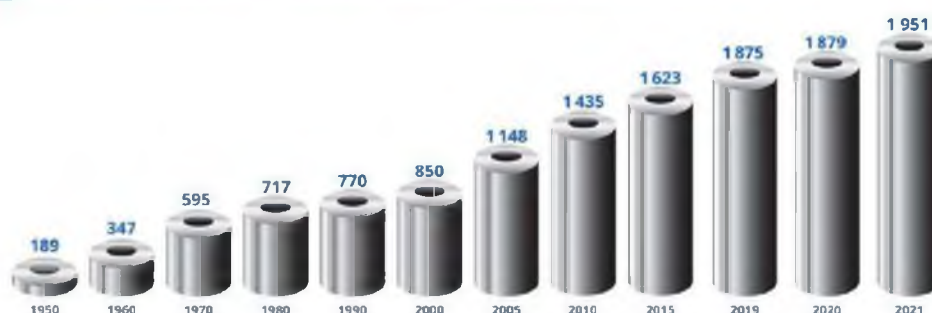
Global Overview

The global economy grew by 5.9% in 2021 following a contraction of 3.1% in 2020 (Source: IMF World Economic Outlook, January 2022). Countries across the globe focused on vaccination coverage and implemented various economic stimuli to minimize the impact of COVID-19 and hasten economic recovery.

The growth momentum started slowing towards the end of 2021, as the effects of fiscal and monetary stimuli dissipated. The global economy enters 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, countries have reimposed mobility restrictions. Rising energy prices and supply disruptions have resulted in higher and more broad-based inflation than anticipated, notably in the United States and many emerging market and developing economies.

The global steel industry has partially recovered with increase in global steel production by 3.7% during 2021, compared to 2020. This is primarily due to economies opening up after wide scale vaccinations, gradual commencement of economic activity, and significant change in retail consumer behaviour mainly in automotive and construction sectors. Further, increase in raw material prices mainly concerning coking coal, iron ore and oil & fuel have pushed the market prices of steel.

World crude steel production 1950 to 2021 (million tonnes)

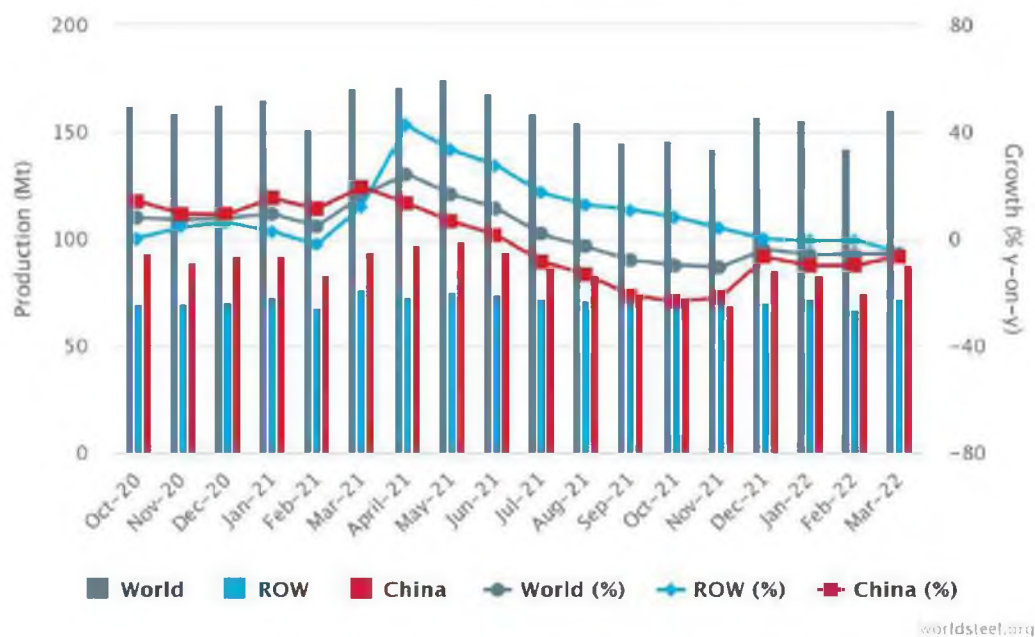


www.worldsteel.org

Global crude steel production reached at 1,951 million tonnes (Mt) in 2021, which was higher by around 70 Mt than 2020. While China continued to be the largest global crude steel producer, there were moderate growth in steel production in countries such as India, Japan, USA, Germany and Brazil, amongst others, signifying normalcy in operations during the pandemic.

World crude steel production for the 64 countries reporting to the World Steel Association (worldsteel) was 161.0 million tonnes (Mt) in March 2022, a 5.8% decrease compared to March 2021.

Crude steel production



Indian Overview

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.



As per reports of India Brand Equity Foundation (IBEF), some of the recent economic developments in India are as follows:

- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.
- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000-December 2021.

From the fledgling one million tonne capacity status at the time of independence, India has now risen to be the 2nd largest crude steel producer in the world and the largest producer of sponge iron. From a negligible global presence, the Indian steel industry is now globally acknowledged for its product quality. As it traversed its long history since independence, the Indian steel industry has responded to the challenges of the highs and lows of business cycles.

Crude Steel Production: Top 10 Countries (January-December, 2021)

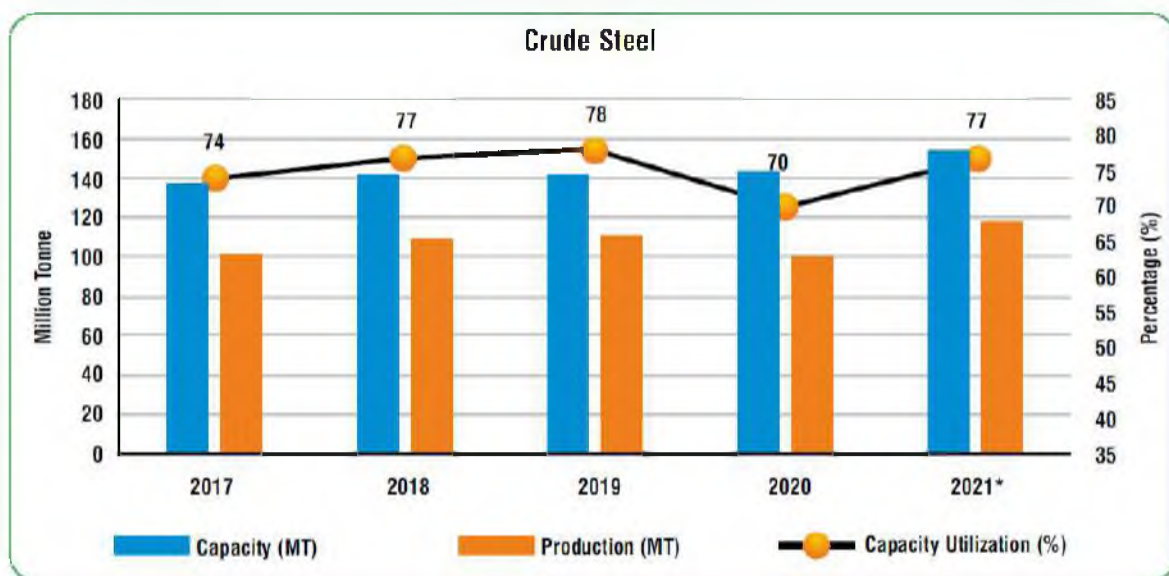
Rank	Country	Qty (in Million Tonne)*	% change over 2020
1	China	1032.8	-3.0
2	India	118.1	17.8
3	Japan	96.3	14.9
4	United States	86.0	18.3
5	Russia	76.0	6.1
6	South Korea	70.6	5.2
7	Turkey	40.4	12.7
8	Germany	40.1	12.3
9	Brazil	36.0	14.7
10	Iran	28.5	-1.8

Source: World Steel Association; *Provisional

Indian Steel Sector has brought a new hope in Indian economy considering production of steel product as well as employment generation. Data on crude steel production, capacity and capacity utilization during the last five years is given in the table below:-

Year	Crude Steel		
	Capacity (MT)	Production (MT)	Capacity Utilisation (%)
2017	137.975	101.455	74
2018	142.236	109.250	77
2019	142.299	111.344	78
2020	143.914	100.256	70
2021*	154.269	118.134	77

Source: JPC; *Provisional (January-December, 2021)



- Crude Steel production grew from 101.455 MT in 2017 to 118.134 MT in 2021.
- The growth in production was driven by capacity expansion, from 137.975 Million Tonnes (MT) in 2017 to 154.269 MT in 2021, during this five-year period.
- Domestic consumption of Total Finished Steel (alloy + non-alloy) was at 106.134 MT in 2021 as against 88.679 MT in 2017.
- Export of Total Finished Steel (alloy + non-alloy) during 2021 stood at 12.799 MT as compared to 10.871 MT in 2017; import of Total Finished Steel (alloy + non-alloy) during the same year stood at 5.001 MT as compared to 7.828 MT in 2017.
- India was a net exporter of Total Finished Steel in 2021.

Opportunities, threats, risks and concern

Opportunities

Steel is crucial in the development of the infrastructure of any economy. Steel is a commodity that is used in our day-to-day life. It is used in constructing homes we live in, the cars we drive, the utensils we eat in, etc. Steel finds usage in various sectors including construction and infrastructure, engineering, automobiles, etc. It is an important engineering and construction material. Steel is widely used all around the world because of its strength and it can be recycled over and over again without loss of its property.

The steel industry derives its demand from other important sectors like infrastructure, aviation, engineering, construction, automobile, etc.

- **Capital Goods:-** The capital goods sector accounts for 11% of steel consumption and is expected to increase 14-15% by FY2025-26 and has the potential to increase in tonnage and market share.
- **Automotive Industry:-** The Automotive industry accounts for around 10% of demand of steel in India. It is forecasted to grow in size to US\$ 260-300 billion by 2026. Demand from the sector for steel is expected to be robust.
- **Infrastructure sector:-** The Infrastructure sector accounts for 9% of steel consumption and expected to increase 11% by FY2025-26. Because of rising investments in infrastructure, the demand for long steel products would increase in the years ahead.
- **Railways:-** laying of tracks and construction of foot over bridges, rail coaches, railway stations will also drive the steel demand.
- **Airport:-** The number of operational airports stood at 103 as on 31st March 2019.. Under union budget 2020, Government is targeting 100 more airports by FY2024. Development of new airports in Tier-II city would sustain consumption growth.



Source: www.ibef.org/

Threats, risks and concern

The industry operates in a dynamic environment which not only provides opportunities but also exposes the business to various risks.

The world economy continues to suffer from a series of destabilizing shocks. After more than two years of pandemic, the Russian Federation's invasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth.

Elevated inflation is expected to persist longer, with ongoing supply chain disruptions and high energy prices continuing in 2022. Risks to the global baseline are tilted to the downside which is primarily brought by the new COVID-19 variant which may prolong the pandemic

and induce renewed economic disruptions. Moreover, supply chain disruptions, energy price volatility, and localized wage pressures have enhanced the uncertainty around inflation and policy paths. Other global risks may crystallize with the surging geopolitical tensions, and the ongoing adverse climate conditions leading to the probability for natural disasters.

The export duty, imposed to check rising inflation in the country, has resulted in volatile steel prices in the domestic market. Most domestic steel makers are under margin pressure due to rise in input cost and are concerned with the availability of raw materials. Anticipated high interest rates might limit the growth in private demand. The industry still has huge dependence on imported coking coal, low production efficiency, inadequate infrastructure & technology. The steel industry is challenged by dwindling investments, turbulence in the financial market and geopolitical conflicts in many developing regions.

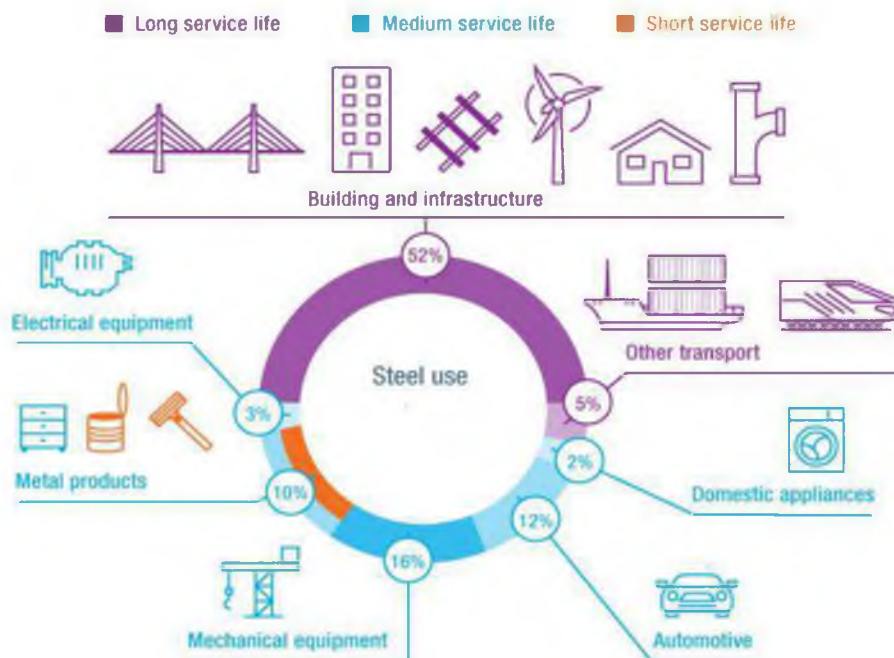
Outlook

Global growth is projected to slow-down from an estimated 6.1% in 2021 to 3.6% in 2022—0.8 percentage-point lower than what was envisioned in the last World Economic Outlook (WEO) of January 2022, largely reflecting forecast markdowns in USA and China. In USA, a revised assumption of removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages have induced a downgrade in the outlook by 1.2 percentage-points. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage-point downgrade. Global growth is expected to slow down to 3.6% in 2023.



As populations grow and nations around the world seek to improve their standards of living, it is inevitable that the demand for steel will increase. Steel is critical simply because no other material has the same unique combination of strength, formability and versatility. New generations of steel continue to be developed that make it possible for manufacturers and builders to implement durable, lightweight designs.

Without being aware of it, society now depends on steel. Humankind's future success in meeting challenges such as climate change, poverty, population growth, water distribution and energy limited by a lower carbon would depends on applications of steel.



As per world steel association, despite the sporadic COVID infection waves and the manufacturing sector's supply chain constraints, steel demand recovered strongly in 2021, especially in the EU and the US. However, the outlook for 2022 has weakened due to inflationary pressure, which is further reinforced by the events surrounding Ukraine. The impact of the war will be particularly pronounced in the EU due to its high dependence on Russian energy and refugee inflows. Steel demand in the developed world is forecast to increase by 1.1% and 2.4% in 2022 and 2023 respectively, after recovering by 16.5% in 2021.

Worldsteel forecasts that steel demand will grow by 0.4% in 2022 to reach 1,840.2 Mt after increasing by 2.7% in 2021. In 2023 steel demand will see further growth of 2.2% to reach 1,881.4 Mt.

Product wise Performance Analysis

Your Company has an integrated steel plant and manufactures different products in Steel sector. Your Company's cumulative product wise sale details are given hereunder:

The sale of Non-Alloy Steels was Rs. 38,077.52 lacs during the financial year 2021-22 as compared to Rs. 19,637.1 lacs during the financial year 2020-21. The sale of Alloy Steels was Rs. 1,190.91 lacs during the financial year 2021-22 as compared to Rs. 1,190.90 lacs during the financial year 2020-21.

Financial Performance

The net revenue from operations and other income for the financial year under review was Rs. 43,234.28/- lacs in 2021-22 in comparison to Rs. 23,029.89 lacs in 2020-21. The Profit before Tax (PBT) for the year increased to Rs. 2,674.91 lacs as compared to Rs. 671.12 lacs in the previous year.

Key Financial Ratio

The details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year, if any) in key financial ratios, along with detailed explanations thereof along with details of change in Return on Net Worth are given in note no. 42 of the notes to Financial Statement provided in this Annual report.

Internal Control Systems and their Adequacy

Internal Control is a part of day to day management and administration of your Company. The Company has a proper and adequate system of Internal Control, commensurate with the size, scale and complexity of its operations to ensure orderly and efficient conduct of its business including adherence to corporate policies, safeguarding of assets, prevention of frauds and errors, accuracy and completeness of accounting records and preparation of reliable financial information.

The Internal Audit functions serve to provide independent and objective assurance on the adequacy and effectiveness of the organisation's risk management, control and governance processes and assesses opportunities for improvement in business processes, systems and controls and provides recommendations designed to add value to the organisation and follows up on the implementation of the agreed audit committee recommendations.

The Company has an Audit Committee to continuously monitor the adequacy and effectiveness of the internal control environment across your company. The Audit Committee of your Company comprises of eminent professionals who are well versed with the financial management. The Internal Auditor submits detailed reports periodically to the management and the Audit Committee. The Management makes it a point that the Internal Control is brought under regular review and evaluations in consultation with the Internal Auditor. The Audit Committee actively reviews the adequacy and effectiveness of the internal audit functions of the Company and monitors the implementation of the same. The Committee also calls for comments of the internal auditors about the Company's internal controls, scope of audit as and when required which gives them an additional insight on the assessment of such controls. Such adequate internal control system helps in identification of potential operation processes.

Human Resource

Your company believes in the values of "human resources" and realises its significance in the business success. The Company is dedicated to have an optimum level of human resource and believes in the concept of right talent at the right job since it considers human capital to be the most valuable asset of your Company. We nurture our human resource and provide them a growth oriented and challenging work environment thereby achieving our organisational goals. Human Resources development practices in your company are guided by the principles of consistency and fairness in order to ensure a productive and innovative work place.

The Company is proud to have a talented pool of around 232 employees as on 31st March, 2022 which comprises professionals from diverse backgrounds like finance, taxation, law, management, engineering etc. The industrial relations in your Company continue to be healthy and cordial.

The Company is encouraging them to discover and realize their true potential. Acquiring diverse experiences, accomplishing challenging tasks and continually learning and up skilling is enabling them to deliver their best. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, the company is empowering them to become future ready and build rewarding careers. Future ready trails of agility, digital mindset and customer centricity are being consciously imbibed, both in thought and action, at every level across the organization. Richer collaborations and stronger teamwork have accelerated our pursuit of excellence.

Despite the pandemic bringing new challenges before the Company, it continued to evolve its people practices in supporting its employees through the challenging times. The Company has undertaken vaccination of its workforce and their family members to ensure employee safety & wellbeing.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and/or expectations may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, domestic and international economic conditions affecting demand/supply and price conditions, changes in the government regulations, tax laws and other statutes and other incidental factor.

On behalf of the Board of Directors

Place: Kolkata
Date: 18th August, 2022

sd/-
Devendra Prasad Jajodia
Chairman & Managing Director
(DIN: 00045166)

INDEPENDENT AUDITORS' REPORT

To

The Members of **Chandi Steel Industries Limited**

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Chandi Steel Industries Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (Including Other Comprehensive income), the statement of change in equity and the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting principal generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1.	<p>Revenue recognition</p> <p>We Identified revenue recognition as a key audit matter because there is an inherent industry risk around the accuracy of revenue recorded by the Company specifically exports of Goods.</p> <p>The company's revenue consists of straight-forward product sales where revenue is recognized when the significant risk and rewards connected with ownership of goods have been transferred to the buyer depending on terms of contract with the customers.</p> <p>Recognizing the Export Revenue is the bigger issue as it depends on the basis of commonly used FOB and CIF.</p>	<p>Our audit included a combination of testing of internal control over financial reporting with respect to revenue recognition including procedures relating to business reviews performed by the different business Areas, analytical procedures and detailed test of significant new customer contract. Different contracts may contain different delivery terms that need to be considered in terms of revenue recognition.</p> <p>Our audit also included details test of proof of delivery to confirm that risk had been transferred to the customer. We have in our audit had special focus on revenue recognition with the business area of export of goods.</p> <p>We have verified each and every shipment documents and the exporter's obligation connected with the transfer of ownership of goods to the buyer both in FOB and CIF.</p> <p>Our audit also included the test verification for entitlement of duty draw back and its recognition.</p> <p>Based on our work, we had no materials observations for the overall audit on Company's accounting for revenue recognition.</p>
2.	<p>Measurement of Inventory</p> <p>The company keep significant stock of raw materials, consumable stores, spare parts at its production units and stores of finished goods mostly at its sales and distribution centre. Measurement of Inventory is important for a fair representation of gross margin.</p>	<p>Our audit included but was not limited to the following activities :</p> <p>Mapped and evaluated selected systems and methodology applied by the management for consistency with prior years and our knowledge of industry practice and tested a sample of key controls for establishing volumes and cost.</p> <p>Tested, on a sample basis, stocks of raw materials</p>

	<p>It is demanding to prepare accurate reporting of the acquisition cost when procurement, production and logistical processes are complex. Establishing product costing requires many instance of management judgment with effect on the reported values. This includes considering normal production levels, foreign currency and prices of raw materials and allocation of other direct and indirect costs. For finished goods, assessment is needed of obsolescence and how sellable the products are. Finally, there is a complexity in monitoring and measuring volumes particularly for some raw materials and work in progress.</p> <p>The accounting policies included the company's accounting principles for measuring inventory.</p>	<p>to actual prices. Assessed the reasonableness of the product costing for work in progress and finished goods.</p> <p>Participated in stock takes at a great number of locations and tested the cut-off of deliveries in or out of inventory.</p> <p>Testing the estimated future sales values, less estimated costs to sell against the carrying value of the inventories.</p> <p>Recalculating the arithmetical accuracy of the computations.</p> <p>Obtained the Management's monitoring controls of slow movers and assessments of obsolescence as well as net selling prices.</p>
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Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone 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 others wise 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.



Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Financial Statements, management is responsible for assessing the company's liability to continue as 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.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 in 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. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall representation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS Specified under section 133 of the act read with rule 7 of the companies (Accounts) rules, 2014.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2022 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 A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's report in accordance with the requirement 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,as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the Ind AS standalone financial statements:

- ii) The Company has made provision, as required under the applicable law or Accounting Standards, for materials foreseeable losses, if any, on long term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) Based on the written representation received from the management that to the best of it's knowledge and belief,
 - a) no funds have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries: and
 - c) based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- v) During the year the company has not declared any dividend.

For, B Y Jatania & Co.
Chartered Accountant
For B. Y. JATANIA & CO.
Chartered Accountant
ERN-0311010E
Y. K. JATANIA
CA YASWANT KUMAR JATANIA
(Proprietor)
Membership No. 050031
UDIN : 22050031AIYW WP8563

Dated: 14-May-2022

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under “Report on other legal and regulatory requirements” section of our report to the member of Chandi Steel Industries Ltd. of even date.)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013(“the Act”)

We have audited the internal financial controls over financial reporting of Chandi Steel Industries Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

B Y Jatania & Co.

Chartered Accountants

Firm's registration number:

For B. Y. J. A. 0311010E

Chartered Accountants


Y. K. JATANIA
Proprietor

CA YASHWANT KUMAR JATANIA

Proprietor

Membership number: 050031

UDIN : 22050031AIYWWP8563

Place: Kolkata
Date: 14-May-2022

“Annexure B” to the Independent Auditor’s Report of even date on the Statements of Chandi Steel Industries Limited.

(Referred to in paragraph 2 under “Report on other Legal and regulatory requirements” section of our report to the members of Chandi steel Industries Ltd. of even date.)

(i) In respect of Companies Property, plant and equipment:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) All property, plant and equipment have been physically verified by the management during the period but there is a regular programme of verification in a phased manner to cover all the items of fixed assets over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) There was no disposal of substantial part of fixed assets during the period.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.

- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) The Company had granted loan to a Company covered in the register maintained under section 189 of the Companies Act, 2013.

- (a) The receipts of the principal amount and interest have been regular.
- (b) The above loan is stated to be re-payable on demand. We are informed that, the Company has received back the amount of loan to the extent demanded by it and thus there has been no default on the part of such party to whom the money has been lent. The payment of interest has been regular.
- (c) As the party has repaid the amount of loan whenever demanded, therefore there is no overdue amount for the above loan granted to a Company listed in the register maintained under section 189 of the Companies Act, 2013

(iv) In our opinion and according to the information and explanations given to us, the company has complied with the provision of section 185 & 186 of the act in respect of grant loans , making investments and providing guarantees and securities as applicable.

- (v) The Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rule framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, related to the manufacture of its products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service act, custom duty, cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other materials statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - According to the records of the Company, the dues outstanding of sales-tax, service tax, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Show Cause Notice	4.09	2010-11 to 2014-15	Commissioner Pending for adjournment
Central Excise Act, 1944	Short Payment of GTA	2.20	2013-14	Commissioner (Appellate)
Central Excise Act, 1944	Irregular Availment of Service Tax Credit	26.51	2009-10, 2010-11 and 2011-12	Appeal Hearing pending before CESTAT & HC
The Central Sales Tax Act, 1956	Pending statutory Forms	2.10	2014-15	West Bengal Appellate and Revision Board.



- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. During the year the company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loan during the year. Accordingly paragraph 3(ix) of the Order is not applicable to the Company and hence not commented upon.
- (x) According to the information and explanations given to us, no materials fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For, B Y Jatania & Co.Chartered Accountant
FRN- 0311010E
Y. K. JATANIA
Proprietor**CA YASHWANT KUMAR JATANIA**

(Proprietor)

Membership No. 050031

UDIN : 22050031AIYWWP8563

Place: Kolkata
Dated: 14-May-2022C-Block Mercantile Building
9/12, Lal Bazar Street,
Kolkata 700001Contact No.+91 9830752875
Mail at: ykjatania@gmail.com

Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

1 COMPANY OVERVIEW

Chandi Steels Industries Limited is a public limited company incorporated and domiciled in India, its registered office being at 3, Bentinck Street, PS Hare Street, Kolkata-700001. Its equity shares are listed with the Calcutta Stock Exchange Limited. Heavy Rounds and Flats in various Carbon, Mild and Alloy Steel grades are manufactured in its factory situated in Liluah, Howrah, West Bengal. It is a leading manufacturer of forging and engineering quality alloy and non-alloy steel Rounds, Flats and Squares and has the exclusive ability to manufacture various sophisticated grades of steel conforming to national and international standards.

2 SIGNIFICANT ACCOUNTING POLICIES

I Basis of Preparation

Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The company's financial statements up to and for the year ended 31st March 2017 were prepared in accordance with Companies (Accounting Standards) Rules, 2006 notified under section 133 of the Act and other relevant provisions of the Act.

Historical Cost Convention

Financial Statements have been prepared on historical cost basis except for the following items:

- Certain financial assets and liabilities measured at fair value
- Defined benefit plans - Plan assets are measured at fair value

II Use of estimates

In preparing the financial statements in conformity with Ind AS, management has made estimates, judgments and assumptions which affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of financial statements and the reported amounts of revenues and expenses during the period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting are recognized prospectively. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to financial statements.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

Critical estimates and judgments

The areas involving critical estimates or judgments are as follows:

- **Estimation of defined benefit obligation**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Impairment of trade receivables**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The management uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

III Current and Non-Current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

IV Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the company. Free hold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to the acquisition of the items.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

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

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. When a major inspection is performed, its cost is not recognized in the carrying amount of the plant and equipment as a replacement. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred. Property, plant and equipment includes spare parts, stand by equipments and servicing equipment which are expected to be used for a period more than twelve months and meets the recognition criteria of property, plant and equipment.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Based on technical assessment made by technical expert and Management estimate the entity depreciates items of property, plant and equipment over estimated useful lives which are same as prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

- | | |
|-----------------------------------|-----------------------------------|
| • Factory Building: 30years | • Motor Vehicle: 6years |
| • Office Equipments: 5-20years | • Plant and Machinery: 10-20years |
| • Furniture and Fixtures: 10years | • Computers: 3years |

Depreciation on property, plant and equipment is provided on straight line basis to the extent of depreciable amount on pro-rata basis over the useful life of respective assets as prescribed under Schedule II to the Companies Act, 2013.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-process'.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

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 income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

V Provisions

A provision is recognized if, as a result of a past event, the company has a present obligation (legal or constructive) that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses.

Where the effect of time value of money is material, provisions are measured at the present value of management's best estimate of the amount required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognized as interest expense.

VI Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The management has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Goods and service tax (GST) is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

A. Sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

B. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR).



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the management estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

VII Inventories

Inventories are valued at the lower of cost and net realizable value.

Cost incurred in bringing each product to its present location and condition is accounted as follows:

- i. Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- ii. Finished goods and work in progress: cost includes cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- iii. Stores and spares: cost includes cost of General Stores, Wires and Felts and Packing materials. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

VIII rounding of amounts

All amounts of financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

IX Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the company, i.e., net profit after tax less after tax amount of preference dividend, by the weighted average number of shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

X Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with an original maturity of three months.

XI Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

XII Financial Instruments

Initial Recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, those are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date i.e., the date at which the company commits to purchase or sell the asset.

Subsequent Measurement

(i) Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

(ii) Financial assets at fair value through profit or loss:

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss. The company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL, which is thereafter irrevocable. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

(iii) Financial liabilities:

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments. The company's financial liabilities include trade and other payables and loans and borrowings. Loans and Borrowings- After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Derecognition of Financial Instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Fair Value of Financial Instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

XII Impairment

a. Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. Considering a discount rate of 10%, provision rates for delay risk are as under:

<u>Ageing</u>	<u>Discount for Delay</u>
0-180 days	0%
181-365 days	15%
1-2 years	25%
2-3 years	50%
Above 3 years	100%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (Profit and Loss). This amount is reflected under the head 'other expenses' in the Profit and Loss.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

b. Non-financial assets

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

XIV Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates (the functional currency). The company's financial statements are presented in Indian rupee (INR), which is also the company's financial currency.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of transaction. Exchange differences are recognized in profit or loss, except exchange differences arising from the translation of equity instruments at fair value through OCI (FVOCI) which are recognized in OCI.

a) Transactions in foreign exchange covered by forward contracts are accounted for at the contracted rates.

b) Transactions other than those covered by forward contracts are recognized at the exchange rates prevailing on the date of their occurrence.

c) Monetary assets and liabilities in foreign currency that are outstanding at the year end and not covered by forward contracts are translated at the year-end exchange rates.

d) The exchange differences arising from long term foreign currency monetary items relating to the acquisition of a depreciable asset are added to or deducted from the cost of the depreciable capital assets. Other exchange differences arising from long-term foreign currency monetary items are transferred to "Foreign currency monetary item translation difference account" to be amortized over the life of such monetary items. Other exchange differences are recognized as income or expense in the Profit and Loss account.

XV Fair value measurement

The management measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

The management uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the management determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

XVI Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund

Gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as an asset to the extent that cash refund or a reduction in the future payment is available.

Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Bonus plans

The company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

XVII Taxes

Tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after



Chandi Steel Industries Limited

Notes to Financial Statements for the year ended 31st March 2022

considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized using liability method, to the extent that it is probable that future taxable profits will be available against which they can be used. The company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.



CHANDI STEEL INDUSTRIES LTD

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A. ASSETS			
1 Non-current assets			
Property, Plant and Equipment			
a) Property, plant and equipment	3.1	2,696.69	2,337.95
b) Capital work-in-progress	3.2	1,200.00	2,528.83
c) Other non-current assets	4	12.69	10.63
		<u>3,909.38</u>	<u>4,877.41</u>
2 Current assets			
a) Inventories	5	5,804.91	3,377.13
b) Financial assets			
i) Trade receivables	6.1	3,030.48	3,654.07
ii) Cash and Cash equivalents	6.2	570.51	85.72
iii) Bank balance other than (ii) above	6.3	232.51	419.44
iv) Loans	6.4	172.23	259.75
c) Income Tax assets (Net)	15	19.69	11.82
d) Other current assets	7	1,510.05	1,113.61
		<u>11,340.38</u>	<u>8,921.54</u>
Total Assets		<u>15,249.76</u>	<u>13,798.95</u>
B. EQUITY AND LIABILITIES			
1 EQUITY			
a) Equity Share capital	8	1,053.50	1,053.62
b) Other equity	9	4,530.43	2,536.69
		<u>5,583.93</u>	<u>3,590.31</u>
2 LIABILITIES			
i) Non-current liabilities			
a) Financial liabilities			
i) Borrowings	10	583.35	406.66
b) Deferred tax liabilities (Net)	11	102.89	107.74
c) Provisions	12	29.34	19.42
		<u>715.58</u>	<u>533.82</u>
ii) Current liabilities			
a) Financial liabilities			
i) Borrowings	13.1	4,441.00	4,756.00
ii) Trade Payables	13.2		
Total outstanding dues of micro enterprises and small enterprises		57.97	55.77
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,066.00	3,676.77
iii) Other financial liabilities	13.3	250.68	183.58
b) Provisions	14	3.31	0.99
c) Other current liabilities	16	1,131.29	1,001.71
		<u>8,950.25</u>	<u>9,674.82</u>
Total Equity and liabilities		<u>15,249.76</u>	<u>13,798.95</u>

Significant accounting policies (1-2) and other accompanying notes form an integral part of financial statements

As per Report of even date

For B Y JATANIA & CO.

Chartered Accountants NIA & CO.
FRN : 03110106

CA YASWANT KUMAR JATANIA

(Proprietor)

M.No. : 050031

Kolkata

Date: 14-May-2022

UDIN : 22050031AIYWWP8563

For and on behalf of the Board

Devendra Prasad Jajodia
Managing Director
(DIN : 00045166)

Susanta Sarkar
Director
(DIN : 06449312)

Seema Chowdhury
Company Secretary
M.No. : ACS21224

Tushar Kanti Sarkar
Chief Financial Officer

CHANDI STEEL INDUSTRIES LTD

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED MARCH 31, 2022

(₹ in lakhs)

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
I. Revenue from operations	17	43,181.21	22,986.17
II. Other Income	18	53.07	43.72
III. Total income(I+II)		43,234.28	23,029.89
IV. EXPENSES			
Cost of material consumed	19	34,645.31	18,166.64
Change in inventories of finished goods, stock in trade and work-in-progress	20	(1,419.15)	(703.32)
Employee benefit expense	21	824.07	517.47
Finance costs	22	631.47	534.45
Depreciation and amortization expense	23	289.83	225.33
Other expenses	24	5,587.84	3,618.20
Total expense (IV)		40,559.37	22,358.77
V. Profit/(loss) before exceptional items and tax (III-IV)		2,674.91	671.12
VI. Exceptional items			
VII. Profit/(loss) before tax (V-VI)		2,674.91	671.12
VIII. Tax expense:	25		
(1) Current tax		684.96	173.42
(2) Short Provision related to earlier year		-1.73	-
(3) Deferred tax		(4.99)	(12.90)
IX. Profit/(loss) for the year (VII-VIII)		1,993.21	510.60
X. Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		0.56	1.23
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.14)	(0.31)
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Total Other Comprehensive Income X(A+B)		0.42	0.92
XI. Total Comprehensive Income for the period (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		1,993.63	511.52
XII. Earnings per equity share :			
Basic EPS		18.92	4.85
Diluted EPS		18.92	4.85

Significant accounting policies (1-2) and other accompanying notes form an integral part of financial statements

As per Report of even date

For Y. K. JATANIA & CO.

Chartered Accountants

FRN : 0311010E

CA YASWANT KUMAR JATANIA

(Proprietor)

M.No. : 050031

Kolkata

Date: 14-May-2022

UDIN : 22050031AIYWWP8563

Devendra Prasad Jajodia
Managing Director
(DIN : 00045166)

Susanta Sarkar
Director
(DIN : 06449312)

Seema Chowdhury
Company Secretary
M.No. : ACS21224

Tushar Kanti Sarkar
Chief Financial Officer

CHANDI STEEL INDUSTRIES LTD

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2022

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A: Cash Flow From Operating Activities		
Net Profit Before Taxes	2,674.91	671.12
Adjustments For :		
Depreciation	289.83	225.33
OCI-Gratuity	0.56	1.23
Prior Period Expenditure	9.99	0.34
(Gain)/Loss on sale / disposal of Property, plant and equipment	(1.38)	-
Provision for doubtful debts / advances	11.26	-
Irrecoverable Debts and Advances Written off	528.11	175.83
Interest on Term Loans and Others	539.98	491.29
Interest income	(12.91)	(22.02)
Insurance Claims	(1.35)	(1.07)
Income from Investment	-	(6.82)
Liability no longer required written back	(21.34)	(5.64)
Gain on Foreign Exchange Fluctuations (Net)	(13.64)	5.90
Operating Profit Before Working Capital Changes	4,004.02	1,535.49
Movements in Working Capital :		
Decrease / (Increase) in Trade Receivables	417.84	(2,024.15)
Decrease / (Increase) in Loans and Advances and Other Current / Non Current Assets	85.45	382.44
Decrease / (Increase) in Inventories	(2,427.78)	(1,167.92)
(Decrease) / Increase in Trade Payables, Other Current Liabilities and Provisions	(322.28)	1,119.07
Cash Generated From Working Capital Changes	(2,246.77)	(1,690.56)
Direct Taxes paid	(676.66)	(311.83)
Net Cash generated from Operating Activities	1,080.59	(466.90)
B: Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(648.57)	(224.93)
Proceeds from disposal of property, plant and equipment	653.83	-
Interest received	12.91	22.02
Investments	-	6.82
Net Cash Used In Investing Activities	18.17	(196.09)
C: Cash Flow From Financing Activities		
Repayment of long / short term Borrowings	(138.31)	16.88
Interest Paid	(475.66)	(620.06)
Net Cash generated from Financing Activities	(613.97)	(603.18)
Net Increase / (Decrease) In Cash and Cash Equivalents (A+B+C)	484.79	(1,266.17)
Cash and Cash Equivalents as at the beginning of the year	85.72	1,351.88
Cash and Cash Equivalents as at the end of the year	570.51	85.72
Components of cash and cash equivalents		
Cash on hand	8.35	13.22
Balance with Scheduled Banks on:		
Current Account	562.16	72.50
Cash and Cash Equivalents in Cash Flow Statement:	570.51	85.72

Significant accounting policies (1-2) and other accompanying notes form an integral part of financial statements

As per Report of even date

For B Y JATANIA & CO.

Chartered Accountants

FRN : 0311010E

CA YASWANT KUMAR JATANIA

(Proprietor)

M.No. : 050031

Kolkata

Date: 14-May-2022

UDIN : 22050031AIYWWP8563

For and on behalf of the Board

Devendra Prasad Jajodia

Devendra Prasad Jajodia

Managing Director

(DIN : 00045166)

Susanta Sarkar

Susanta Sarkar

Director

(DIN : 06449312)

Seema Chowdhury

Seema Chowdhury

Company Secretary

M.No. : ACS21224

Tushar Kanti Sarkar

Tushar Kanti Sarkar

Chief Financial Officer

CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note- 3.1 Property Plant and Equipments

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	1 April 2021	Additions	Disposals/ Adjustments	31 March 2022	31 March 2022	1 April 2021
Freehold Land	481.51	-	-	481.51	-	-	-	-	481.51	481.51
Factory Building	374.39	-	-	374.39	105.01	10.91	-	115.92	258.47	269.38
Plant and Machinery	2,822.95	197.41	-	3,020.35	1,636.64	132.97	-	1,769.61	1,250.74	1,186.31
Furniture and Fixtures	11.12	28.91	-	40.04	4.19	1.23	-	5.42	34.61	6.93
Computer	15.80	2.99	-	18.78	8.67	2.74	-	11.41	7.38	7.13
Office Equipment	17.85	3.44	-	21.28	8.86	3.22	-	12.08	9.20	8.99
Motor Vehicle	595.68	416.30	9.59	1,002.39	217.99	138.75	(9.11)	347.63	654.76	377.70
Total	4,319.31	649.04	9.59	4,958.76	1,981.35	289.83	(9.11)	2,262.07	2,696.69	2,337.95

Note-3.2 Capital Work in progress

Particulars	31 March 2022	31 March 2021
Opening	2,528.83	2,651.42
Factory Office	(15.21)	15.21
Amount Refunded of Security Deposit	(638.62)	-
Written Off	(675.00)	(137.80)
Total	1,200.00	2,528.83

**The company has entered into a long term contract for coal mining operation with West Bengal Mineral Development and Trading Corporation Limited (WBMDTC) for a period of 30 years. The amount of Rs. 3625.38 lacs has been incurred on the said project till 31/03/2015.

**The said amount of Rs.3625.38 lacs have been claimed by the company from West Bengal Mineral Development in view of the order of Honorable Supreme Court dated 24th September 2014 cancelling the Coal Blocks, including Jagannathpur "A" & "B". Out of which Rs. 225.00 lakhs has been received in the financial year 2018-19 from WBMDTC and Rs. 748.96 lakhs , Rs. 137.80 lakhs and 6.75 lakh have been written off during the financial year 2019-20, 2020-21 and 2021-22 respectively as per Board Resolution dated 12.02.2020, 23.02.2021 and 28.06.2021

Ageing analysis of Capital Work-in-Progress

Particulars	Amount in CWIP for the year ended March 31, 2022				
	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
Project suspended	-	-	-	1,200.00	1,200.00

Particulars	Gross block				Accumulated depreciation				Net block	Net block
	1 April 2020	Additions	Disposals/ Adjustments	31 March 2021	1 April 2020	Additions	Disposals/ Adjustments	31 March 2021	31 March 2021	1 April 2020
Freehold Land	481.51	-	-	481.51	-	-	-	-	481.51	481.51
Factory Building	374.39	-	-	374.39	94.10	10.91	-	105.01	269.38	280.29
Plant and Machinery	2,667.88	155.08	-	2,822.94	1,515.43	121.21	-	1,636.64	1,186.30	1,152.45
Furniture and Fixtures	5.45	5.67	-	11.12	3.81	0.38	-	4.19	6.93	1.65
Computer	8.41	7.39	-	15.80	7.40	1.27	-	8.67	7.13	1.01
Office Equipment	14.08	3.77	-	17.85	6.33	2.52	-	8.86	8.99	7.75
Motor Vehicle	557.87	51.65	13.84	595.68	135.05	89.03	(6.10)	217.99	377.70	422.81
Total	4,109.59	223.56	13.84	4,319.30	1,762.13	225.33	(6.10)	1,981.35	2,337.95	2,347.46

Ageing analysis of Capital Work-in-Progress

Particulars	Amount in CWIP for the year ended March 31, 2021				
	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
Project suspended	-	-	-	2,528.83	2,528.83



CHANDI STEEL INDUSTRIES LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance as at 01 April, 2021	1,053.62
Changes in equity share capital during the year	(0.12)
Balance as at 31 March, 2022	1,053.50

B. Other Equity

As at March 31, 2022

(₹ In Lakhs)

Particulars	Reserves and Surplus		Other Comprehensive Income	Total Other Equity
	Capital Reserve	Retained Earnings		
Balance at 31 March 2021	34.92	2,499.11	2.66	2,536.69
Profit for the period	-	1,993.20	0.56	1,993.76
Forfeiture of equity shares	0.12	-	-	0.12
IND AS Adjustment for Deferred Tax - Current year	-	-	(0.14)	(0.14)
Total comprehensive income/(loss) for the period	0.12	1,993.20	0.42	1,993.74
Issue of share capital	-	-	-	-
Dividends	-	-	-	-
Received on allotment of equity shares	-	-	-	-
Transactions with owners	-	-	-	-
Balance at 31 March 2022	35.04	4,492.31	3.08	4,530.43

Significant accounting policies (1-2) and other accompanying notes form an integral part of financial statements

As per Report of even date

For B Y JATANIA & CO.

Chartered Accountants
FBN 0311010E
Chartered Accountants

CA YASWANT KUMAR JATANIA
(Proprietor)
M.No. : 050031

Kolkata
Date: 14-May-2022
UDIN : 22050031AIWWP8563

For and on behalf of the Board

Devendra Prasad Jajodia
Devendra Prasad Jajodia
Managing Director
(DIN : 00045166)

Seema Chowdhury
Seema Chowdhury
Company Secretary
M.No. : ACS21224

Susanta Sarkar
Susanta Sarkar
Director
(DIN : 06449312)

Tushar Kanti Sarkar
Tushar Kanti Sarkar
Chief Financial Officer

CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-4 Other non-current assets

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
Security deposits	12.69	10.63
Total	12.69	10.63

Note-5 Inventories

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Raw Materials	2,716.64	1,874.12
Stores and Spares	399.12	233.01
Finished Goods	2,577.56	1,176.44
By Products and Scrap	111.59	93.56
Total	5,804.91	3,377.13

Note-6.1 Trade Receivables

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Trade Receivable (Unsecured, considered good)	3,042.70	3,655.03
Less: Allowance on Doubtful Debts	12.22	0.96
Total	3,030.48	3,654.07

Ageing analysis of Sundry Debtors

Particulars outstanding for following periods from due date of payment as on 31st March 2022

Particulars	0 - 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	2,964.40	74.29	3.73	0.28	-	3,042.70
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others than MSME	-	-	-	-	-	-

Ageing analysis of Sundry Debtors

Particulars outstanding for following periods from due date of payment as on 31st March 2021

Particulars	0 - 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	-	-	-	-	-
Others	3,650.91	0.72	3.40	-	-	3,655.03
Disputed dues to MSME	-	-	-	-	-	-
Disputed dues to others than MSME	-	-	-	-	-	-



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-6.2 Cash and Cash Equivalents

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance with banks		
Current Account Balances	562.16	72.50
Cash in hand	8.35	13.22
Total	570.51	85.72

Note-6.3 Bank Balances other than Note 7.2 above

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Deposits with original maturity for more than 3 months & less than 12 months	232.51	419.44
Total	232.51	419.44

Fixed Deposits of Rs.232.51 lakh (Rs.169.44) Lacs pledged with banks and others as margin money against borrowings/ other facilities.

Note-6.4 Loans

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Unsecured Considered Goods		
Security deposits	121.18	158.70
Loans to Related parties	23.00	23.00
Loans to Others	28.05	78.05
Total	172.23	259.75

Note-7 Other Current Assets

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance to Suppliers-Unsecured Considered Goods	172.41	325.59
Interest Accrued	-	0.34
Balance with Excise and other Government Authorities	1,274.47	782.69
Duty Drawback Receivable	63.17	4.99
Total	1,510.05	1,113.61



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note- 8 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised		
12,000,000 Equity Shares of ₹10/- each	1,200.00	1,200.00
Total	1,200.00	1,200.00
Issued, subscribed and fully paid up		
10,535,000 Equity Shares of ₹ 10 each, Fully paid up	1,053.50	1,054.00
Less: Calls unpaid (Due from other than directors or officers)	-	0.38
Total	1,053.50	1,053.62

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 10/- each				
At the beginning of the period	1,05,40,000	1,053.62	1,05,40,000	1,053.62
Forfeiture of Shares during the period	(5,000.00)	(0.12)	-	-
At the end of the year	1,05,35,000	1,053.50	1,05,40,000	1,053.62

(b) Terms/rights attached to equity shares

The Company has only one class of ordinary shares (equity shares) having at par value of ₹ 10/- each. Each shareholder of ordinary shares (equity shareholders) is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distributions of all preferential amounts, in the proportions to their share holdings.

(c) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the
Mahabali Enterprises Pvt. Ltd.	19,87,900	18.86%	19,87,900	18.86%
Sangeeta Jajodia	8,75,000	8.31%	7,75,000	7.35%
Gaurav Jajodia	7,70,000	7.31%	7,70,000	7.31%
PPS Steel Trading Pvt. Ltd.	7,50,000	7.11%	7,50,000	7.11%
Aashish Jajodia	7,31,500	6.94%	7,31,500	6.94%
Pawan Kumar Kanodia	6,51,998	6.19%	6,51,998	6.19%
Maruti Stockfin Pvt. Ltd.	7,69,000	7.30%	6,19,000	5.87%
Kanchan Jajodia	5,91,500	5.61%	5,11,500	4.85%
Total	71,26,898	67.63%	67,96,898	64.48%

As per records of the Company, including its register of share holders / members, the above share holdings represents legal ownership of shares.

(d) Disclosure pertaining to shareholding of Promoters

Promoter name	As at March 31, 2022		% change in holding in the class
	No. of Shares	% holding in the class	
Sangeeta Jajodia	8,75,000	8.31%	0.96%
Gaurav Jajodia	7,70,000	7.31%	0.00%
Aashish Jajodia	7,31,500	6.94%	0.00%
Kanchan Jajodia	5,91,500	5.61%	0.76%
Rajiv Jajodia	5,08,000	4.82%	0.81%
Devendra Prasad Jajodia	4,50,000	4.27%	1.42%
Shashi Devi Jajodia	2,47,000	2.34%	0.95%
Jai Salasar Balaji Industries Pvt. Ltd.	400	0.00%	0.00%
Shri Keshrinandan Trade Pvt. Ltd.	300	0.00%	0.00%
Total	41,73,700.00	39.61%	



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note- 9 Other Equity

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Capital Reserve	35.04	34.92
Retained Earning**	4,492.31	2,499.11
OCI		
Opening OCI	2.66	1.74
Add: During the year OCI	0.56	1.23
Less : Deferred Tax	(0.14)	(0.31)
Total OCI	3.08	2.66
Total	4,530.43	2,536.69

	(₹ in Lakhs)	
Retained Earning**		
Profit & Loss Account	2,499.11	1,988.51
Add: Profit for the Year	1,993.20	510.60
Retained Earning	4,492.31	2,499.11

Note: Retained Earning represents the undisputed profit/amount of accumulated earnings of the Company.

Note: Other Comprehensive Income(OCI) comprises items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind AS.



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note- 10 Borrowings

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Unsecured Non Convertible Debentures	200.00	200.00
Deferred Payment Liability	383.35	206.66
Total	583.35	406.66

Note: 200000 Unsecured, Unlisted, Non-Convertible Debentures of Rs.100/- each fully paid redeemable within 3 months from the expiry of ten years from the date of allotment at par or at premium as may be decided by the Board. The Debentures shall carry interest of 8% p.a.

Note-11 Deferred tax liabilities (Net)

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Deferred tax liability		
Provisions/Expenses Allowable in future under IT Act	(8.22)	(4.89)
Tax Difference on Depreciable Assets	110.97	112.32
IND AS Adjustment	0.14	0.31
Total	102.89	107.74

Note: Deferred Tax for IND AS Adjustment represents the effect of Re-measurement of Profit & Loss Account as per IND AS.

Note- 12 Provisions

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Gratuity	29.34	19.42
Total	29.34	19.42

Note-13.1 Borrowings

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Unsecured		
Loans & advances from Other Body Corporate	4,441.00	4,756.00
Total	4,441.00	4,756.00



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-13.2 Trade Payables

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small	57.97	55.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,066.00	3,676.77
Total	3,123.97	3,732.54

Ageing analysis of Sundry Creditors

Particulars outstanding for following periods from due date of payment as on 31st March 2022						(₹ in Lakhs)
Particulars	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total	
MSME	55.95	0.02	-	-	55.97	
Others	3,026.31	33.73	4.24	1.72	3,066.00	
Disputed dues to MSME	-	-	-	-	-	
Disputed dues to others than MSME	-	-	-	-	-	

Particulars outstanding for following periods from due date of payment as on 31st March 2021						(₹ in Lakhs)
Particulars	Less than 1 years	1 - 2 years	2 - 3 years	More than 3 years	Total	
MSME	55.75	-	-	0.02	55.77	
Others	3,509.62	33.38	0.18	133.59	3,676.77	
Disputed dues to MSME	-	-	-	-	-	
Disputed dues to others than MSME	-	-	-	-	-	

Note : The Company has circulated confirmation for the identification of supplier registered under Micro, Small & Medium Enterprises Development Act, 2006. On the basis of information received with the enterprises under the aforesaid act there are some Enterprises to whom the company owes dues which are outstanding at year end.

Note 13.3 - Other financial liabilities

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current Maturity of Long term borrowings	141.18	83.14
Capital Creditors	35.16	35.64
Due to employees	74.34	64.80
Total	250.68	183.58

Note 14 - Provisions

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Leave Salary	3.31	0.99
Total	3.31	0.99

Note 15 - Income Tax Liabilities /(Assets) (Net)

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	715.73	196.31
Less :Provision for Taxation	696.04	184.49
Total	19.69	11.82

Note 16 - Other current liabilities

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance from Customers	580.51	511.25
Statutory dues payable	32.54	36.54
Interest Accrued & Due	518.24	453.92
Total	1,131.29	1,001.71



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-17 Revenue from Operations

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Sale of products		
Finished Goods	39,268.43	20,828.00
Scraps	3,423.43	1,801.21
Other Operating Revenue		
Conversion Charges	108.20	160.59
Export Incentives	381.15	196.37
Total	43,181.21	22,986.17

Details of Sales (Product wise)

	Year ended 31 March 2022	Year ended 31 March 2021
Finished Goods		
Non-Alloys Steels	38,077.52	19,637.10
Alloys Steels	1,190.91	1,190.90
Total	39,268.43	20,828.00
By-Products		
Non-Alloys Steel Scrap	3,267.91	1,736.82
Alloys Steel Scrap	112.30	31.24
Coal Fines	43.22	33.15
Total	3,423.43	1,801.21

Note-18 Other Income

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest on :		
Fixed Deposits with Banks [Gross, TDS ₹ 1.19 lacs (₹1.48 Lacs)]	12.91	22.02
Profit on sale of Short term Investments (other than trade)	-	6.82
Net gain/(loss) on disposal of property, plant and equipment	1.38	-
Profit on Exchange Fluctuation (Net)	13.64	-
Impairment Allowance	-	8.15
Discount Received	2.45	0.02
Other items	22.69	6.71
Total	53.07	43.72

Note-19 Cost of Raw Material Consumed

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Opening Stock	1,874.12	1,443.00
Purchases	35,487.83	18,597.76
	37,361.95	20,040.76
Less: Closing Stock	2,716.64	1,874.12
Total	34,645.31	18,166.64

Consumption of Raw Material

	Year ended 31 March 2022	Year ended 31 March 2021
Non Alloys Steel (Billet & Ingot)	26,565.75	13,507.43
Alloys Steel (Billet & Ingot)	733.63	758.21
Copper Rod	7,345.93	3,901.00
Total	34,645.31	18,166.64



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-20 Change in inventories of finished goods, stock in trade and work-in-progress

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Opening stock (Finished Goods)	1,176.44	311.06
Closing stock (Finished Goods)	2,577.56	1,176.44
	(1,401.12)	(865.38)
Opening stock (Scrap)	93.56	255.62
Closing stock (Scrap)	111.59	93.56
	(18.03)	162.06
Total	(1,419.15)	(703.32)

Note-21 Employee benefit expense

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, Bonus & Allowances	671.45	439.01
Contribution to Provident and other funds	43.25	27.52
Staff welfare expenses	21.54	24.63
Directors remuneration	87.83	26.31
Total	824.07	517.47

Post Retirement Employee Benefits : Refer Note - 26

Note-22 Finance cost

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses :		
On Others	539.98	491.29
Finance charges	91.49	43.16
Total	631.47	534.45

Note-23 Depreciation and amortisation expense

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation of tangible assets	289.83	225.33
Total	289.83	225.33



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended March 31, 2022

Note-24 Other expenses

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Consumption of Stores and Spares	925.74	704.44
Labour Charges	719.61	415.36
Power and Fuel	1,261.75	748.48
Repairs and Maintenance:		
- Plant and Machinery	218.82	36.38
- Buildings	10.21	8.13
- Others	35.81	17.90
Freight and Transportation	733.78	412.49
Rent and Hire	172.39	76.35
Discount Allowed	-	0.14
Rates and Taxes	3.18	4.45
Insurance	8.76	1.90
Advertisement	0.31	0.37
Brokerage and Commission	156.34	239.72
Travelling and Conveyance	51.34	42.22
Printing & Stationery	3.32	0.09
Telephone and Postage	3.28	3.28
Legal and Professional Charges	217.12	409.74
Allowance on Doubtful Debts	11.26	-
Loss on Foreign Exchange Fluctuations (net)	-	5.90
Business Development Expenses	346.01	203.27
Auditors' remuneration		
- Audit Fees	0.45	0.45
- Tax Audit Fees	0.15	0.20
- in Other Capacity for certificates and others	0.25	0.10
CSR Expenses	25.55	19.25
Charity and Donations	1.40	6.18
Security and Service Charges	56.89	59.47
Prior Period Expenses	9.99	0.34
Sundry Balance Written off	528.11	175.83
Miscellaneous Expenses	86.02	25.77
Total	5,587.84	3,618.20

Note- 24.1 Expenditure on Corporate Social Responsibility (CSR) activities

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
(a) Gross amount required to be spent by the Company During the year	25.55	19.10
(b) Amount Spent during the year		
i) On purpose - in cash	25.54	19.25

(i) The various heads under the CSR expenditure were incurred in cash in detailed as follows :

Relevant Clause of Scheduel VII to the Act	Description of CSR activities	Year ended 31 March 2022	Year ended 31 March 2021
Clause - i	Promoting health care which includes sanitation and preventive health care *	25.54	-
Clause - x	Rural Development projects **	-	19.25

* Contribution to (Millennium Health Care) for Health Camp and Free vaccination of Covid-19

** Contribution to related trust (Ram Kumar Jajodia Trust) amounting to ₹ 19.25 lakh

Note-25 Tax expenses

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
(1) Current tax		
Current tax expense	684.96	173.42
Income tax relating to previous year	1.73	-
Total	686.69	173.42
(2) Deferred tax		
Total	(4.99)	(12.90)
	(4.99)	(12.90)



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note- 26

POST RETIREMENT EMPLOYEE BENEFITS

The disclosures required under IND As 19 on "Employee Benefits", are given below :

Defined Contribution Plan

Contributionsw to Defined Contribution Plans, recognized for the year (included in Statement of Profit & Loss) as under :

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Employer's Contribution to Provident Fund	7.73	5.19
Employer's Contribution to Pension Scheme	17.32	11.71

Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of Payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The disclosures required under Indian Accounting Standard 19 'Employee Benefits' are given below:

(a) Expenses recognized in statement of Profit & Loss Account for the year ended 31st March 2022

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Current Service Cost	8.30	6.10
Interest Cost on benefit obligation	1.31	0.91
Total Expenses / (Income)	9.61	7.01

(b) Other Comprehensive Income (OCI) for the year ended 31st March 2022.

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Actuarial (gain)/Loss due to DBO Experience	1.87	(0.40)
Actuarial (gain)/Loss due to DBO assumption changes	(1.58)	(0.87)
Return on plan asset (greater)/less than discount rate	0.27	0.04
acturial (gains)/losses recognized in OCI	0.56	(1.23)

(C) Defined Benifit cost for the year ended 31st March 2022.

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Service Cost	8.30	6.10
Net interest on net defined benifit liability/(asset)	1.31	0.91
Acturial(gains)/Losses recognized in OCI	0.56	(1.23)
Defined Benifit Cost	10.17	5.78



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

(d) Net Assets / (Liability) recognized in Balance Sheet as at 31st March 2022

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Defined Benefit Obligation(DBO)	(55.98)	(44.38)
Fair value of plan assets (FVA)	26.64	24.95
Net defined benefit asset/(Liability)	<u>(29.34)</u>	<u>(19.42)</u>

(e) Reconciliation of Net Balance Sheet Position as at 31st March 2022

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Net defined benefit asset/(Liability) at end of prior Period	(19.42)	(13.89)
Service Cost	(8.30)	(6.10)
Net interest on net define benefit liability/ (asset)	(1.31)	(0.91)
Amount recognised in OCI	(0.56)	1.23
Employer Contribution	0.25	0.25
Net defined benefit asset/(Liability) at the current Period	<u>(29.34)</u>	<u>(19.42)</u>

(f) Change in the present value of the defined benefit obligation during the year ended 31st March 2022

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Present Value of Defined Benefit Obligation at the beginning of the year	44.37	40.48
Current Service Cost	8.30	6.10
Interest Cost	3.02	2.56
Acturial Loss / (gain) experience	1.87	(0.40)
Acturial Loss / (gain) Financial assumption	(1.58)	(0.87)
Benefit Payments	-	(3.49)
Present Value of Defined Benefits Obligation at the end of the year	<u>55.98</u>	<u>44.38</u>

(g) Change in the Fair Value of Plan Assets during the year ended 31st March 2022

	(₹ in Lakhs)	
	Year ended 31 March 2022	Year ended 31 March 2021
Fair Value of Plan Assets at the bening of the year	24.95	26.59
Interest income on plan asset	1.71	1.64
Employer Contribution	0.25	0.25
Return on plan assets greater/(lesser) than discount rate	(0.27)	(0.04)
Benifits Paid	-	(3.49)
Fair Value of Plant Assets at the end of the year	<u>26.64</u>	<u>24.95</u>

(h) The major categories of plan assets as percentage of the fair value of the total plan assets

	Year ended 31 March 2022	Year ended 31 March 2021
Investment with the insurer	100%	100%



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

(i) The principal assumptions used in determining gratuity and leave obligations for the Company's plans are shown below :

	Year ended 31 March 2022	Year ended 31 March 2021
Discount Rate	7.10%	6.80%
Expected Rate of return on assets	7.10%	6.80%
Rate of increase in salaries	7.00%	7.00%
	Indian Assured Life Mortality (2006-08)	Indian Assured Life Mortality (2006-08)
Mortality Table	(Modified) Ult.	(Modified) Ult.

Note- 27

Unhedged Foreign currency exposures outstanding at the year end are as follows :

Particulars	Foreign Currency (FC)	As at March 31, 2022		As at March 31, 2021	
		in FC	(₹ in Lakhs)	in FC	(₹ in Lakhs)
Receivables					
- Trade Receivables	US\$	1,91,313.00	797.75	1,78,958.78	130.73
Total		1,91,313.00	797.75	1,78,958.78	130.73
Payables					
- Advance from customers	US\$	48,712.32	36.93	-	-
Total		48,712.32	36.93	-	-

Hedged Foreign currency exposures outstanding at the year end are as follows :

Particulars	Foreign Currency (FC)	As at March 31, 2022		As at March 31, 2021	
		in FC	(₹ in Lakhs)	in FC	(₹ in Lakhs)
Receivables					
- Trade Receivables	US\$	14,11,509.43	417.30	10,54,135.07	770.10
Total		14,11,509.43	417.30	10,54,135.07	770.10



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note- 28 Contingent Liabilities not provided for

(₹ in Lakhs)

Particulars	31 March 2022	31 March 2021
Sales Tax & Excise Duty matters under dispute/appeal	34.90	42.77
Bank Guarantees outstanding	86.06	101.93

Note- 29 Related Party Transactions

List of Related Parties

Enterprises owned or significantly influenced by
Key Managerial Personnel or their relatives

List of Key Managerial Personnel

Jai Balaji Industries Ltd.
Jai Salasar Balaji Industries Pvt. Ltd.
Balaji Ispat Udyog
Jai Balaji Jyoti Steels Ltd.
Jai Balaji Infotech Pvt. Ltd.

Devendra Prasad Jajodia Managing Director
Susanta Sarkar Director
Tushar Kanti Sarkar Chief Financial Officer
Seema Chowdhury Company Secretary

List of Relatives of Key Managerial Personnel

Sangeeta Jajodia
Kanchan Jajodia

Transactions with Related Parties

The following transactions occurred with related parties:

Compensation of key managerial personnel

(₹ in Lakhs)

Particulars	Devendra Prasad Jajodia	Susanta Sarkar	Tushar Kanti Sarkar	Seema Chowdhury	31 March 2022	31 March 2021
Short-term employee benefits	84.00	3.83	5.78	11.10	104.71	37.29
Post-employment benefits	-	-	-	-	-	-
Other long-term benefits	-	-	-	-	-	-
Termination benefits	-	-	-	-	-	-
Total compensation paid to key managerial personnel					104.71	37.29

Other transactions

(₹ in Lakhs)

Relation	Purchases	Sales	Balance Payable	Balance Receivable	Rent Paid	CSR Expenses
Enterprises owned or significantly influenced by Key Managerial Personnel or their relatives						
Jai Balaji Industries Limited	12.24 (547.90)	251.58 (52.46)	- (10.13)	1.74 -	-	-
Jai Salasar Balaji Industries (P) Ltd.	5,763.16 (4,122.76)	3,259.49 (1,711.34)	1,172.77 (2,002.20)	-	-	-
Balaji Ispat Udyog	-	-	2.59 -	-	-	-
Jai Balaji Infotech Pvt Limited	-	-	-	23.00 (23.00)	-	-
Ram Kumar Jajodia Trust	-	-	-	-	-	(19.25)
Relatives of Key Managerial Person						
Sangeeta Jajodia	-	-	-	-	15.00 (3.60)	-
Kanchan Jajodia	-	-	-	-	33.00 (6.60)	-



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note-30 Earnings per share

Particulars	(₹ in Lakhs)	
	31 March 2022	31 March 2021
A. Basic earnings per share		
Net Profit after tax	1,993.21	510.60
Profit attributable to equity shareholders (₹ in lakhs)	1,993.21	510.60
Weighted average number of equity shares for basic EPS (₹ in lakhs)	105.35	105.36
Basic EPS	18.92	4.85
B. Diluted earnings per share		
Profit attributable to equity shareholders (₹ in lakhs)	1,993.21	510.60
Weighted average number of equity shares for diluted EPS (₹ in lakhs)	105.36	105.36
Diluted EPS	18.92	4.85

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the adjusted profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into equity shares.

Note-31 Registration of Charges or satisfaction with Registrar of Companies

No such charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period to be disclosed.

Note-32 Subsequent Events

There is no such events occurred after the date of balance sheet which needs to be disclosed in the account .

Note-33 Disclosures under section 186 (4) of the companies Act 2013

Particulars	Utilisation of the recipient	(₹ in Lakhs)	
		Outstanding as on	
		31 March 2022	31 March 2021
Jai Balaji Infotech (P) Ltd.	nomal business activities	23.00	23.00
Suraj Khandelwal	nomal business activities	28.00	28.00
Parag Vinimay Pvt. Ltd.	nomal business activities	0.05	50.05
Total		51.05	101.05



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note- 34 Confirmation of Debtors, Creditors and Dues of Small Scale Units

In the absence of balance confirmation from Sundry Debtors, Creditors, Loans, Advances and Security Deposits which are on selective basis, the balances appearing in the books of accounts have been taken as correct.

Note- 35 Value of Indigenous Material Consumed

Particulars	(₹ in lakhs)	
	31 March 2022	31 March 2021
Raw Material	34,645.31	16,166.64
Stores and Spares	925.74	704.44

Note- 36 Segment Reporting

The company is predominantly engaged in production and sale of Iron & Steel and other connected products, which are subject to similar risks and returns. Moreover, there is no separate geographical segment. Hence, segment reporting is not applicable as prescribed by Ind AS-108.

Note- 37 Earnings in foreign currency transactions for the year

Particulars	(₹ in lakhs)	
	31 March 2022	31 March 2021
Exports at FOB Value	16,443.89	9,103.14

Note- 38 Expenditure in foreign currency transactions for the year

Particulars	(₹ in lakhs)	
	31 March 2022	31 March 2021
Business Promotion	7.84	13.00
Travelling	13.02	-



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note- 39 Fair Value Measurements

	31st March 2022			31st March 2021		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investment	-	-	-	-	-	-
Trade Receivables	-	-	3,030.48	-	-	3,654.07
Security Deposits	-	-	133.87	-	-	169.33
Cash and Cash Equivalents	-	-	570.51	-	-	85.72
Other Bank Balances	-	-	232.50	-	-	419.44
Loans to Related Party	-	-	23.00	-	-	23.00
Loans to Other	-	-	-	-	-	-
Advances	-	-	28.05	-	-	78.05
Total Financial Assets	-	-	4,018.41	-	-	4,429.61
Financial Liabilities						
Borrowings	-	-	5165.53	-	-	5,245.80
Trade Payables	-	-	3123.97	-	-	3,732.54
Capital Creditors	-	-	35.16	-	-	35.64
Advance from Related party	-	-	-	-	-	-
Due to employees	-	-	74.34	-	-	64.80
Total Financial Liabilities	-	-	8,399.00	-	-	9,078.78

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year.

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

ii) Valuation technique used to determine fair value

Investment in Mutual Fund were valued using quoted market price (i.e NAV as on 31st March 2022).



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

Note- 40 Financial risk management

The company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Aging analysis Credit Ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Future commercial transactions Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting, Sensitivity analysis	Forward foreign exchange contracts, Foreign currency options
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification

The company's risk management is carried out by a central treasury department (company treasury) under policies approved by the board of directors. company treasury identifies, evaluates and hedges financial risks in close co- operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(A) Credit risk

Credit risk arises from cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as well as credit exposures to wholesale customers including outstanding receivables.

(i) Credit risk management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted. For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a company basis for each class of financial instruments with different characteristics. Value Ind AS Limited assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets,

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired



CHANDI STEEL INDUSTRIES LTD

Notes to the financial statements for the year ended 31st March 2022

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- i) Internal credit rating
- ii) external credit rating (as far as available)
- iii) actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- iv) actual or expected significant changes in the operating results of the borrower
- v) significant increase in credit risk on other financial instruments of the same borrower
- vi) significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- vii) Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the company and changes in the operating results of the borrower.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

i) Financing arrangements

The company had not access to the undrawn borrowing facilities during the reporting period:

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- i) all non-derivative financial liabilities, and
- ii) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



CHANDI STEEL INDUSTRIES LTD

Notes to the financial

Note- 41 Capital management

The company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowing and the advantages and security afforded by sound capital position.

The capital structure is as follows :

(₹ in Lakhs)		
Particulars	31 March 2022	31 March 2021
Total equity attributable to the equity shareholders of the company	5,583.93	3,590.31
As percentage of capital	53%	41%
Total loans and borrowings	5,024.35	5,162.66
Total lease liabilities	-	-
Total loans, borrowings and lease liabilities	5,024.35	5,162.66
As a percentage of total capital	47%	59%
Total capital (loans, borrowings, lease liabilities and equity)	10,608.28	8,752.97

Note- 38 Financial ratios

Ratio	Numerator	Denominator	Current period	Previous Period	% Variance
(a) Current Ratio	Current asset	Current liabilities	1.27	0.93	0.35
(b) Debt - equity ratio	Long term and short term borrowings	Total equity	0.78	1.32	(0.54)
(c) Debt Service Coverage ratio	EBIDTA	Interest + Principle	0.63	0.25	0.38
(d) Return on equity	Net Income	Share holders' equity	0.36	0.14	0.21
(e) Inventory turnover ratio	Cost of goods sold	Average stock	9.52	8.84	0.68
(f) Trade receivables turnover ratio	Average Trade receivable	Credit sales / 365	28.25	44.39	(16.14)
(g) Trade payable turnover ratio	Average Trade payable	Cost of sales / 365	28.98	41.50	(12.52)
(h) Net capital turnover ratio	Revenue from operation	Total share holders fund	7.73	6.40	1.33
(i) Net profit ratio	Net Profit before tax	Revenue operation	0.06	0.03	0.03
(j) Return on capital employed	Net profit after tax	Revenue operation	0.05	0.02	0.02
(k) Return on Investment	Net profit after tax	Net worth	0.36	0.14	0.21

As per Report of even date

For B Y JATANIA & CO.

Chartered Accountants

FRN : 0311010E

For B. Y. JATANIA & CO.

Chartered Accountants

Y. K. JATANIA
Proprietor

CA YASWANT KUMAR JATANIA

(Proprietor)

M.No. : 050031

Kolkata

Date: 14-May-2022

For and on behalf of the Board

Devendra Prasad Jajodia

Managing Director

(DIN : 00045166)

Tushar Kanti Sarkar

Tushar Kanti Sarkar

Chief Financial Officer

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Folio/DP Id-Client Id:
Name of the Shareholder:
Address of the Shareholder:

I/We hereby record my/our presence at the 44th Annual General Meeting of the Company held on Tuesday, 20th September, 2022 at 12:30 p.m. at the registered office of the company situated at 3, Bentinck Street, Kolkata – 700 001.

Name of the Proxy (in BLOCK LETTERS) Signature of Shareholder/ Proxy Present

ELECTRONIC VOTING PARTICULARS

EVSIN	User Id	PAN/Sequence No.
220823038		

For e-voting instructions, kindly refer to the Notice of the 44th Annual General Meeting of the Company.



44th Annual General Meeting
Tuesday, 20th September, 2022
at 12:30 p.m.

CHANDI STEEL INDUSTRIES LIMITED

CIN No.: L13100WB1978PLC031670

PROXY FORM

Registered Office: 3, Bentinck Street, Kolkata – 700 001

FORM MGT-11

Phone: 033-2248 9808, Fax: 033-2243 0021

E-mail: chandisteelindustries@gmail.com, Website: www.chandisteel.com

[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 No. : _____ DP ID No.: _____

I/We, _____ being the member(s), holding _____ equity shares of Chandi Steel Industries Limited hereby appoint:

- | | |
|------------------|--------------------------------------|
| 1. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____, or failing him/her |
| 2. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____, or failing him/her |
| 3. Name: _____ | Address: _____ |
| E-mail Id: _____ | Signature: _____ |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44th Annual General Meeting of the Company, to be held on Tuesday, 20th September, 2022 at 12:30 p.m. at the Registered Office situated at 3, Bentinck Street, Kolkata – 700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

A. ORDINARY BUSINESS	
1.	Consideration and adoption of Audited Financial Statements, Report of Board of Directors and Auditors hereon for the financial year ended 31 st March, 2022.
2.	Appointment of a Director in place of Shri Susanta Sarkar (holding DIN – 06449312), who retires by rotation and being eligible seeks re-appointment.
3.	Appointment of M/s. JHS & Associates LLP, Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the 49th Annual General Meeting and fixing their remuneration for the financial year 2022-23.
B. SPECIAL BUSINESS	
4.	Ratification of remuneration of Cost Auditor of the Company for the Financial Year 2022-23.
5.	Re-appointment of Shri Devendra Prasad Jajodia (DIN : 00045166) as the Managing director of the company for a period of 5 years.
6.	Appointment of Smt. Sweta Bhutra (DIN: 09701964) as an Independent Director w.e.f 13 th August, 2022
7.	Appointment of Shri Harsh Jajodia (DIN: 07022106) as a Director of the Company w.e.f 1 st July, 2022.
8.	Appointment of Shri Harsh Jajodia (DIN: 07022106) as a Whole-time Director of the Company for a period of 3 years w.e.f 1 st July, 2022.
9.	Approval of Related Party Transaction.

Signed this _____ day of _____, 2022

Signature of the Member(s): _____

Signature of Proxy holder(s): (1) _____ (2) _____

(3) _____

Affix
Revenue
Stamp

Note: 1. 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.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 44th Annual General Meeting.