



RAKAN STEELS LIMITED

(CIN: L27320UP1985PLC007582)

35TH ANNUAL REPORT 2021-2022

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COMPANY'S PROFILE

BOARD OF DIRECTORS

NAME OF THE DIRECTOR	DESIGNATION OF THE DIRECTOR
Mr. Kannan Agarwal	Managing Director
Mr. Sandeep Agarwal	Executive Director
Mr. Mahendra Bahadur Singh	Non- Executive Independent Director
*Mr. Uma Shanker Dixit	Non- Executive Independent Director
Ms. Radhika Bansal	Non- Executive Independent Director

CHIEF FINANCIAL OFFICER

Mrs. Kashish (Grover) Agarwal

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Madhu Bansal

BANKERS

State Bank of India
H.D.F.C Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

M/S Skyline Financial Services Private Limited
D-153-A, 1st floor, Okhala Industrial Area,
Phase I, New Delhi- 110020

STATUTORY AUDITORS

M/s Rajani Mukesh & Associates
Chartered Accountants
503, Prem Ratan Vatika,
7/180, Swaroop Nagar,
Kanpur-208002

SECRETARIAL AUDITORS

M/s V. Agnihotri & Associates
Company Secretaries
55/19, Kahoo Kothi,
Kanpur-208001

REGISTERED OFFICE

NH-2 (1 km from Bara Toll Plaza)
Umran, Rania,
Kanpur Dehat-209311

CORPORATE OFFICE

Anand Palace, 10/499,
Allen Ganj,
Kanpur-208002

E-MAIL I.D. & CONTACT NO. FOR INVESTORS

E- Mail ID: support@rakansteels.co.in

Website: www.rakansteels.co.in;

Tel no.: (+91) 9598668666; 9129128786 ; Fax No.: 0512-2544025

*Uma Shankar Dixit ceased to be the director due to his death on 13.07.2022

FROM THE DESK OF MANAGING DIRECTOR

Dear Stakeholders,

I take this opportunity to thank all of you and my dear colleagues for providing steadfast support at every turn of our journey during the year. We have, together, lived through one of the most trying phases of the pandemic. I hope you and your families are well and safe. It is my privilege to write to you and present the Annual Report for the FY 2021-2022.

I hope this letter of mine finds you safe and in the best of health and spirit.

Having undergone a degrowth in FY 2020-2021, the global economy registered robust growth in FY 2021-2022 supported by a strong demand recovery post the vaccination roll-out and withdrawal of restrictions imposed at the height of the pandemic. As the world was emerging from the pandemic, the war in Ukraine was triggered another geopolitical crises, creating significant macro uncertainties. As elsewhere in the world, economic recovery in India was supported by well-considered fiscal and monetary policy measures. India's GDP is estimated to have expanded 8.7% in FY 2021-2022 against a contraction of 6.6% in FY 2020-2021.

We are now ready to grow and diversify through a combination of new and downstream businesses. Our endeavor is to drive scale and future growth, derisk the business through diversification, strengthen the balance sheet and generate operational synergies through strategic re-structuring initiatives.

The strong economic recovery has been mirrored in the strong uptick in India's steel industry, bolstered by pent-up demand. Supported by government spending on infrastructure and the revival of the automotive sector, India is expected to witness robust steel demand growth of 7-8% in 2022. Although rising raw materials prices, inflation and supply-side pressures might moderate this growth, the long-term demand drivers for the steel industry remain strong.

Further, it is also pertinent to mention that *Rakan (Private) I.T.I under the flagship of Rakan Group of Institutions* which is established with the aim to inculcate technological skills amongst youth to empower them for gainful employment through technical & vocational education; and to enhance productivity of formal & non-formal sector of economy by having close interaction with the Industry. With immense pride and conviction, we would like to place on record our sincere appreciation to the Management

team of I.T.I. for their unique and immense devotion and dedication in taking the institution to new heights and making it a brand altogether. Various eminent companies and industries have tied-up with the institution in recruiting the exceptionally talented and skilled youth of our institution thereby fulfilling our aspiration of becoming the top I.T.I. institution of the city.

During the year, the Company has progressed on its journey to make products structurally, financially & culturally future ready. The Company has demonstrated better performance in new product development and people practices. The year also saw us accelerate our digital transformation journey and resolutely adopt Industry practices and technology. Digital will be a key enabler in strengthening our competitiveness by improving efficiencies and deepening relationships with our customers, people and business partners through enhanced convenience and experience.

The Management is leaving no stone unturned in fighting the impact levied by the outbreak of the pandemic in such unprecedented times where the world at large was struggling for survival.

Albeit the difficult environment, *Rakan Steels Limited* is trying to comprehend the situation meticulously and planning out innovative strategies to improve the growth prospects and combat for the reduced revenue. Moreover, it is impossible without the faith and trust of our beloved and precious shareholders.

A big thank you to my colleagues at Rakan Steels Limited, the Board and investors for being by our side and helping us steer through the many challenges towards newer horizons. Looking ahead, I am optimistic of the opportunities of the work we are doing for our clients and hope that we fulfill every aim and goal that we have always cherished and aspired of.

I solicit your continued cooperation.

With my warmest regards,

Sd/-

Kannan Agarwal

(Managing Director)

MANAGEMENT'S DISCUSSION ANALYSIS

REPORT

I. OVERVIEW

The Management's Discussion and Analysis Report is an integral part of Board's Report and convey the Management's perspective on the external environment and steel industry, as well as strategy, operating and financial performance, material developments in human resources and industrial relations, risks and opportunities and internal control systems and their adequacy in the Company during FY 21-22. This should be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

II. GLOBAL ECONOMY

MACRO ECONOMIC CONDITION

Global economy has rebounded from contraction in 2020 to register a growth of around 6.1% in 2021. This was driven by pick up in investment, trade, consumer spending and improvement in services. As the year progressed, pace of recovery began to moderate on account of slowdown in China due to regulatory pressures on its real estate sector and 'Zero COVID Policy'. COVID continues to be an overhang on global economies and has led to persistent stress on supply chains, energy and so on. The global economy entered 2022 in a weaker position than previously expected. As the new Omicron COVID-19 variant spreads, some countries have reimposed mobility restrictions.

ECONOMIC OUTLOOK

In 2022, Global growth is expected to moderate to around 3.6%, a 0.8 percentage point lower growth 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.

III. STEEL INDUSTRY

GLOBAL STEEL INDUSTRY

According to the World Steel Association ('WSA'), total global crude steel production was 1,951 MnT in 2021, a 3.7% increase compared to 2020. This is primarily due to economies opening after wide scale vaccinations, gradual commencement of economic activity, and significant change in retail consumer behavior 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.

Global steel industry witnessed recovery in 2021 after being impacted by COVID-19 pandemic in 2020, due to revival in end-market demand. The resumption of operations across major steel-consuming sectors such as construction and engineering following the easing of lockdowns and restrictions led to an uptick in steel demand and thereby, drove an upswing in steel prices and fuelled them to historic highs.

INDIAN STEEL INDUSTRY

Despite the impact of second wave during early part of the financial year, economic activity has continued to recover primarily driven by government induced apex growth. The manufacturing sector has been in expansionary mode compared to contraction a year ago. Moving to services sector, growth was subdued but it has gained momentum since Q4FY22 post decrease in the number of COVID infections and increase in - vaccination rate. India GDP grew by 8.7 %in FY22 compared to a contraction of 6.6% in FY21 .Inflation though continues to remain elevated at 5.3%. India's steel industry has also suffered the production loss due to lockdown last year and recovered gradually since then, initially driven by export followed by gradual recovery in domestic demand.

IV. OPERATIONAL PERFORMANCE

The second wave of COVID-19 pandemic with record number of infections resulted in Oxygen shortage coupled with emotional crisis throughout the country. During these difficult times, the company remained committed to all its stakeholders and rolled out various people centric policies to support its employees, their families and the proximate communities. The Company is also fully aware of the fact that a diverse & inclusive environment establish a sense of belonging amongst employees. Further, to leverage the power of diversity & inclusion, initiatives. The Company imbibes the culture

of customer-centricity across its value chain and strives towards enhanced customer experience.

V. FINANCIAL PERFORMANCE

During the year, the Income of the Company amounted to Rs. 3382.269 (in '00000) in comparison to the Income of the last year which amounted to Rs. 2340.000 (in '00000). Your Company earned a profit during the year amounted to Rs. 07.16 (in '00000) in comparison to last year's profit which amounted to Rs. 11.51 (in '00000).

VI. RISK AND OPPORTUNITIES

FY22 has been a roller-coaster ride, starting with oxygen crisis during the second wave of COVID-19, drop in auto production due to semi-conductor shortage, volatility in coal & energy prices in the subsequent quarters and finally ending on tensed geo-political scenario resulting in shift in trade dynamics. High raw material prices have pushed steel prices and aided in maintaining margins at last year's level.

The Company through the ERM framework has identified several strategic, macroeconomic, financial, operational, regulatory, and other risks. Post the identification of these risks, the Company has also assessed these risks and developed short term and long-term plans to mitigate or reduce these risks. Additionally, the Company is focusing on building the capability of its employees to enable each manager to act as a risk manager. The company aim to optimise our digital infrastructure and continuously initiate policies and procedures to ensure data privacy and stringently follow best practices in terms of password policy, continuous awareness and sensitisation of users, VPN (Virtual Private Network) based secure access for core transactions.

The steel industry is labour-intensive, where the shop floor personnel are subjected to various risks associated with high temperature, hazardous material handling, human-machine interface, etc. Inconsistent adherence to process and workforce safety requirements, safety laws and regulations, may have adverse impact on business continuity and operations. COVID-19 contagion poses risk to the workforce health and safety and may lead to business disruptions.

VII. INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Board of Directors of the Company is responsible for ensuring that Internal Financial Controls have been laid down in the Company and that such controls are adequate and

operating effectively. The Company has an adequate internal control system to manage the business operations effectively and efficiently. The internal audit department closely monitors the compliance of all operations with prescribed business standards. The audit team supervises all internal processes and recommends necessary changes to ensure quick remediation of deviations, if any. Any variance from the budget is flagged off to the senior management which advises modification to ensure strict adherence to compliances. Periodic monitoring and effective implementation of recommendations ensure high business compliance with adequate adherence to rules and regulations that govern the Company. The controls also ascertain the reliability of financial controls and strict adherence to compliance as per applicable laws and regulations. The internal control system ascertains optimal utilisation of all resources and proper documentation of financial transactions.

VIII. HUMAN RESOURCE & INDUSTRIAL RELATIONS

As on March 31, 2022, the Company had 16 employees on Roll. The Company strongly believes in the policy of hiring the right talent for the right position at the right time, with a focus to improve employee productivity. The Company is committed in sharing value with its employees and deals with them as partners of the Company. The Company has ensured harmonious and productive relations with its unions and community through effective Industrial Relations management. This is largely attributed to the Management's concern for its employees and the proactive and cooperative attitude of the employees.

IX. STATUTORY COMPLIANCES

The Managing Director, after obtaining confirmation from each of the departments, reports to the Board on a quarterly basis regarding the compliance with the provisions of various statutes, applicable to the Company. Due systems and processes are in place to ensure effectiveness of this tool.

X. DISCLAIMER

The statements and projections made in this report may vary depending on the economic conditions, government policies, and other factors beyond the control of the Company. Company is not under any obligation to amend, modify or revise any statement.

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors take immense pleasure and hereby submits the report of the business and operations of your Company along with the Audited Financial Statements for the financial year ended on March 31, 2022.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2022 is summarized below:-

	2021-2022 (Rs. in '00000)	2020-2021 (Rs. in '00000)
Income	3382.269	2340.000
Profit/(Loss) before interest & dep.	81.51	90.79
Less:		
Interest	61.61	63.45
Depreciation & Amortization	10.45	12.63
Profit/(Loss) Before Tax	09.44	14.71
Provision for Taxation	2.35	3.75
Deferred Tax	-0.07	-0.17
Adjustment related to Previous Year	00	-0.367
Net Profit	07.16	11.51

SUMMARY OF OPERATIONS

During the year, the Income of the Company amounted to Rs. 3382.269 (in '00000) in comparison to the Income of the last year which amounted to Rs. 2340.000 (in '00000). Your Company earned a profit during the year amounted to Rs. 07.16 (in '00000) in comparison to last year's profit which amounted to Rs. 11.51 (in '00000).

LISTING ON STOCK EXCHANGES

The Company's shares are listed on the Metropolitan Stock Exchange of India Limited (MSE).

GLOBAL HEALTH PANDEMIC FROM COVID-19

This present study primarily emphasizes to seek the COVID-19 adverse impacts posing health challenges and global economic crisis. The second wave of COVID-19 pandemic struck like a storm in the very first quarter of FY22 throughout the country with record number of infections. While India was facing issue of limited medical oxygen availability due to high demand, steel plants played a crucial role in strengthening India's fight against COVID by diverting industrial oxygen to healthcare centres. This pandemic continues to hit the global economies adversely. Many countries are reporting the third and forth waves of infections. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, have resulted in significant disruption to people and businesses. Consequently, market demand and supply chains have been affected. While operational robustness was visible in the company's performance in FY22, your company has demonstrated its endeavour to exceed customer's expectation through number of initiatives viz. Reduction in customer compliants to benchmark level; Your Company has also put in place effective strategies to create a constructive work culture that values and care for employees.

In addition, volunteerism is getting actively visualised across the company with enthused participation by employees and their families.

STATUTORY AUDITORS

M/s Rajani Mukesh & Associates, Chartered Accountant (FRN: 004072C) conducted the statutory audit of the Company for the financial year 2021-2022.

Moreover, the Standalone Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under the Companies Act, 2013.

STATUTORY AUDITOR'S REPORT

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

SECRETARIAL AUDIT REPORT

The Board had appointed Mr. Vaibhav Agnihotri (Prop. M/s V. Agnihotri & Associates) Practicing Company Secretary, to conduct the Secretarial Audit for the Financial Year 2021-2022. Therefore, as per the requirement of Section 204(1) of the Companies Act, 2013, the Company has obtained a Secretarial Audit Report from the Secretarial Auditor in the prescribed format. The format is attached as “**Annexure A**” to this Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

DIVIDEND

In the view to conserve the financial resources of the Company for meeting the financial requirements for future business projects, it was decided by your Directors not to declare any dividend this year.

DEPOSITS

Your Company has not accepted any deposit prescribed u/s 73 of the Companies Act, 2013 during the Financial Year.

CHANGE IN MANAGEMENT & TAKEOVER

During the Financial Year there was no change in the management and take-over of the Company.

MATERIAL CHANGES & COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which has occurred between the end of financial year of the Company i.e. March 31, 2022 and the date of the Director's Report.

BUSINESS RISK MANAGEMENT

The recent economic crises has clearly demonstrates that many companies were inadequately prepared to deal with major risks. Although the lack of preparation was most visible among companies from all sectors were hit by unexpected events such as drops in product demand, decline in commodity prices, wild swings in currency exchange rates, and a broad liquidity crunch. The Company's robust risk management framework

identifies and evaluates business risks and opportunities. The Company has guidelines for implementing the ERM framework and also reviews the key risks and mitigation plan for it. Risk management is embedded in our critical business activities, functions and processes. The Company believes that the overall risk exposure of present and future risks remains within risk capacity. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Since, the business environment is always uncertain and unpredictable therefore, the vigilance of not only the management but also the employees is of utmost importance.

A brief report on risk evaluation and management is provided under Management's Discussion & Analysis Report forming part of this Annual Report.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has a suitable and adequate Internal Control System which indeed is commensurate with the size, scale and complexity of its operations. Internal control systems are integral to Company's corporate governance framework. Some significant features of internal control system are:-

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.
- Ensure complete compliance with laws, regulations, standards and internal procedures and systems.
- De-risking the Company's assets/resources and protecting them from any loss.
- Ensuring the integrity of the accounting system; proper and authorized recording and reporting of all transactions.
- Ensuring reliability of all financial and operational information.
- Audit Committee of Board of Directors, comprising of Independent Directors. The Audit Committee regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards etc.
- To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director.
- The Internal Audit Department monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.
- Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

- Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliance as well as an enhanced control consciousness.

PARTICULARS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

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

Details pursuant to Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are as stated as under:-

S. No.	Requirement of Rule 5(1)	Disclosure
1	The ratio of remuneration of each director to the median remuneration of the employees for the financial year.	Mr. Kannan Agarwal and Mr. Sandeep Agarwal are drawing a salary of Rs. 1200000/-per annum which is 8.09 Times of the median remuneration of the employees (including KMPs) for the financial year.
2	Percentage increase in remuneration of each director, CFO, CEO, CS or Manager in the financial year.	Percentage increase in remuneration of: a) Directors:- b) MD:- N/A c) CFO:- N/A d) CEO:- N/A e) Company Secretary:-N/A
3	The percentage increase/decrease in the median remuneration of employees in the financial year.	% increase in the median remuneration of employees in the financial year: 20.33%
4	The number of permanent employees on the rolls of the Company	There were 16 employees on the rolls of the Company as on March 31, 2022.
5	Average percentile increase already made in the salaries of employees other than the managerial personnel	The Managerial remuneration is ascertainable by referring Point 2 above.

	in the last financial year i.e. 2020-2021 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.	There has been marginal increase in remuneration of other employees and there have been no exceptional circumstances for the increase in remuneration.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	We affirm that the remuneration paid to employees and KMPs was based on the Remuneration Policy.

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

- Drawing salary of 102 Lakhs or above for the Year, if employed throughout the year- NIL
- Drawing salary of 8.5 Lakhs p/m or above for a month, if employed for part of the year- NIL
- Drawing salary more than the salary of MD and having 2% stake in the Company- NIL

B) No Managing Director or Whole-Time Director of the Company is receiving any commission from the Company as well as from the Holding Company or Subsidiary Company of the Company.

INTERNAL FINANCIAL CONTROLS

As per Section 134(5)(e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented a robust system and framework of Internal Financial Controls which in turn is in line with the changing business environment and operational needs and is also innovative and updated as and when the need of the hour be. This framework provides the Directors with a reasonable assurance regarding the adequacy and operating effectiveness of controls with regard to reporting, operational and compliance risks. The Company has in place adequate internal financial controls with reference to financial statements. The Company has devised appropriate systems and framework including proper delegation of authority, risk based internal audits, risk management framework and whistle blower mechanism.

During the year, such controls were tested and no reportable material weaknesses in the design or operation was observed. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in section 134(5) of Companies Act 2013, The Directors of the Company would like to state:-

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under the review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

INDUSTRIAL RELATIONS

Industrial relations are of paramount importance in every organization and maintaining them with ease and poise is a very difficult task. Our Company gives equal importance to maintain industrial relations and keeping them at par with other stakeholder relationships. During the period under review, the relation between employee and Management remained cordial. All the problems of the employees were patiently heard by the Management and proper solutions pertaining to their problems were provided by the management. The Management has always been gracious about its employees and workers. They take every possible measure and endeavor to maintain sincere, healthy and friendly relations with the lower and middle level employees.

BOARD OF DIRECTORS

The Board of the Company is duly constituted. The Company is managed by well-qualified professionals. All directors are suitably qualified, experienced and competent. The members of the Board of Directors are persons with considerable experience and expertise in Audit, Accounts, Finance, Administration and Marketing. The Company is benefitted by the experience and skills of the Board of Directors. None of the Directors are Disqualified u/s 164 of the Companies Act, 2013. All the Independent Directors have given their declaration as per Section 134 read along with Section 149 of the Companies Act, 2013.

BOARD MEETINGS

During the year *Five* board meetings were convened. The details thereof are given as under. Further, it is hereby stated that the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Regulations & Disclosure Requirements) Regulations, 2015.

S. No.	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1.	June 30, 2021	5	5
2.	August 13, 2021	5	5
3.	September 15, 2021	5	5
3.	November 12, 2021	5	5
4.	February 12, 2022	5	5

AUDIT COMMITTEE

i. Terms of Reference:-

The terms of reference of this Committee are wide enough covering the matters specified under the Section 177 read with Rule 6 of Companies (Meetings of Board and its powers) Rules, 2014 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

ii. Composition, Name of Members and Chairperson:-

Name	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Mahendra Bahadur Singh	Chairman	4	4
Ms. Radhika Bansal	Member	4	4
Mr. Sandeep Agarwal	Member	4	4

iii. Details of Audit Committee Meetings held during the year under review:-

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
June 30, 2021	3	3
August 13, 2021	3	3
November 12, 2021	3	3
February 12, 2022	3	3

Note: The Company Secretary of the Company acts as the Secretary to the Committee.

NOMINATION & REMUNERATION COMMITTEE

i. Terms of Reference:-

The terms of reference of this Committee are wide enough covering the matters specified under Section 178 read with Rule 6 of Companies (Meetings of Board and its powers) Rules, 2014 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

ii. Composition, Name of Members and Chairperson:-

Name	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Umashanker Dixit	Chairman	1	1
Mr. Mahendra Bahadur Singh	Member	1	1
Ms. Radhika Bansal	Member	1	1

iii. Details of Nomination and Remuneration Committee Meetings held during the year under review:-

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
August 13, 2021	3	3

iv. Remuneration Policy:-

Remuneration policy of the Company aims at recommending and reviewing the remuneration to Managing Director, Non-executive Directors and Key Managerial Personnel of the Company based on evaluation criteria such as industry benchmarks, company's annual performance & its strategy, expertise, talent and meritocracy.

Directors express their satisfaction with the evaluation process.

v. Selection and Evaluation of Directors:-

The Board on the basis of recommendations of the Nomination & Remuneration Committee, laid down following policies:-

1. Policy for determining qualifications, positive attributes and Independence of a Director.
2. Policy for Board & Independent Directors Evaluation.

vi. Performance Evaluation of Board, Committees & Directors:-

The Company believes formal evaluation of the Board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the company, evaluation provides an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in:-

- a) More effective board process
- b) Better collaboration and communication
- c) Greater clarity with regard to members roles and responsibilities
- d) Improved Managing Director and board relations

The evaluation process covers the following aspects:-

- Self evaluation of directors
- Evaluation of the performance and effectiveness of the board
- Evaluation of the performance and effectiveness of the committees
- Feedback from the Non-Executive directors to the Management
- Feedback on management support to the board

STAKEHOLDERS RELATIONSHIP COMMITTEE

i. Terms of Reference:-

The terms of reference of this Committee are wide enough covering the matters specified under Section 178 (5) & (6) of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

ii. Composition, Name of Members and Chairperson:-

Name	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Mahendra Bahadur Singh	Chairman	1	1
Ms. Radhika Bansal	Member	1	1
Mr. Sandeep Agarwal	Member	1	1

iii. Details of Share Transfer & Investors Grievance Committee Meetings held during the year under review:-

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
February 12, 2022	3	3

Note-1: The Company Secretary of the Company acts as the Secretary to the Committee.

Note-2: No complaint was pending against the Company during the year.

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors met once during the financial year 2021-2022 held on March 25, 2022 without the presence of the Executives. The meeting was conducted to enable the Independent Directors to discuss the matters pertaining to the Company's affairs and put forth their views about the working of the Company and the Board along with the Committees.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director, under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices, and processes by which a Company is directed and controlled. Corporate governance essentially involves balancing the interests of a company's many stakeholders, such as shareholders, senior management executives, customers, suppliers, financiers, the government, and the community. It encompasses practically every sphere of management, from action plans and internal controls to performance measurement and corporate disclosure.

The Company strives to adhere to good corporate governance practices in full spirit and measure. Nonetheless pursuant to Regulation 15 (1) and (2) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21, 22, 23, 24, [24A,] 25, 26, 27 are not applicable on the company as the company is listed on MSEI therefore, we are not required to attach the report on Corporate Governance together with the Practicing Company Secretaries' Certificate on compliance in this regard and Managing Director's declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel.

DISCLOSURE REGARDING THE RE-APPOINTMENT OF DIRECTOR

In terms of relevant provisions of the Act, as amended, Mr. Sandeep Agarwal (DIN: 02957566) is liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment.

The detailed profile of Mr. Sandeep Agarwal and particulars of his experience, skills or attributes that qualify him for Board Membership is provided in the Notice convening the AGM.

The Board recommends the above re-appointment for approval of the Shareholders at the ensuing AGM.

ETHICS/GOVERNANCE POLICIES

The Company strives to conduct business and strengthen the relationship with stakeholders in a manner that is dignified, distinctive and responsible. We adhere to

ethical standards to ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:-

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Vigil Mechanism and Whistle-blower policy

- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions
- Policy for selection of Directors and determining Director's independence
- Remuneration policy for Directors, Key Managerial Personnel and other employees

- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy for preservation of documents
- Policy on Determination and Disclosure of Materiality of Events and Information and the Web Archival Policy.

BOARD EVALUATION

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-Executive Directors and Executive Directors. The Evaluation process *inter alia* considers attendance of Directors at Board and Committee meetings, acquaintance with business, communicating inter se board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Management has carried out the annual performance evaluation of the working of its Audit, Nomination & Remuneration and Investor Grievance Committees. A structured questionnaire was prepared after taking into consideration the inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the

Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The Board carried out an annual performance evaluation of the Board, Committees, Individual Directors and the Managing director. The Chairman of the respective Committees shared the report on evaluation with the respective Committee members. The performance of each committee was evaluated by the Board, based on report on evaluation received from respective Committees.

The report on performance evaluation of the Individual Directors was reviewed by the Chairman of the Board and the feedback was given to the concerned directors.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no Guarantees or Investments made by the Company pursuant to the provisions of Section 186 of the Companies Act, 2013 during the period under review. The details of loans given have been disclosed in the financial statements.

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

In terms of clause (m) of sub-section (3) of section 134 of the Companies Act, 2013 and the rules framed there under, the particulars relating to conservation of energy, technology absorption and foreign earnings and outgo is given below:

a) CONSERVATION OF ENERGY

The consumption of electricity during the year is minimal. The management is taking conscious efforts to conserve the energy.

b) TECHNOLOGY ABSORPTION

The Company has no activity relating to technology absorption.

c) FOREIGN EXCHANGE EARNINGS AND OUTGO: Nil

BUSINESS RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has formed an internal committee in order to evaluate the risk factor in the concern. The Board carries out a brief synopsis of the key elements that threatens the existence of the Company. The internal policy related to risk management ensures growth and continuity of business. However, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 exempts your Company to mandatorily form the Risk Management Committee.

A brief report on risk evaluation and management is provided under Management Discussion & Analysis Report forming an integral part of this Annual Report.

CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all the employees in the course of day to day business operations of the Company. The code laid down by the Board is known as the “**Code of Conduct**” which forms an Appendix to the Code. The Code has been posted on the Company’s website “www.rakansteels.co.in”. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with stakeholders. The Code gives guidance on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code. The whole Management Staff was given appropriate training in this regard.

WHISTLE BLOWER POLICY

In order to comply with the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014. A vigil mechanism was framed by the Company through its Board of Directors to be headed by the Chairman of the Audit Committee who shall also be known as the Vigilance Officer under the Whistle Blower Policy. The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the company’s code of conduct or ethics policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company

encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The Whistle Blower Policy/ Vigil Mechanism also provide safeguards against victimization or unfair treatment of the employees who avail of the mechanism and no personnel has been denied access to the Audit Committee. The Code has been posted on the Company's website "www.rakansteels.co.in".

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no applications made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNTS OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH REASON THEREOF

During the year under review, there has been no one time settlement of Loans taken from Banks and Financial Institution.

RELATED PARTY TRANSACTIONS

None of the transactions with related parties falls under the scope of section 188(1) of the Act. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure** in Form AOC-2 and the same forms part of this report.

Transactions with related parties entered into by the Company are in the normal course of business on arm's length basis and do not have potential conflicts with the Company.

Form No. AOC-2

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

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

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

2.No Such Transactions have taken place during the year under review.

(a) Name(s) of the related party and nature of relationship:- **M/s Rakan Group of Institutions (Society)**

(b) Nature of contracts/arrangements/transactions:- **Lease Agreement**

(c) Duration of the contracts / arrangements/transactions:- **N/A**

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:- **As decided by and between the parties**

(e) Justification for entering into such contracts or arrangements or transactions:- **At Arm's Length basis**

(f) Date(s) of approval by the Board:- **N/A**

(g) Amount paid as advances, if any:- **N/A**

(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:- **September 30, 2016**

3. Details of material contracts or arrangement or transactions at arm's length basis:

ANNEXURE- RELATED PARTY DISCLOSURES (IND AS-24)

<u>S.No.</u>	<u>Name of Related Party and Nature of Relationship</u>	<u>Nature of Transaction</u>	<u>Transaction Value</u>
1.	Sandeep Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	12,00,000.00
2.	Kannan Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	12,00,000.00
3.	Kashish Agarwal (CFO, Director, Key Managerial Personnel)	CFO Remuneration	12,00,000.00
4.	Rajvardhan Agencies Pvt. Ltd.	Sale Purchase	14,30,79,420.00 8,93,135.00
5.	Shribarsana Wire And Wire Mesh Private Limited	Rent Purchase Sale	19,92,078.00 13,05,40,642.00 3,00,000.00

DISCLOSURE UNDER SEXUAL HARASSMENT POLICY FOR WOMEN

Your Company has already framed the Sexual Harassment Policy regarding women and female employees of the Company. During the year under review, there were no complaints from any employee regarding the said issue.

INFORMATION ON STATUS OF AFFAIRS OF THE COMPANY

Information on the operational, financial performance, etc. of the Company is given in the Management Discussion and Analysis Report, which is annexed hereto.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

SHARE REGISTRAR & TRANSFER AGENT

The Company's Registrar & Transfer Agent is Skyline Financial Services Private Limited, New Delhi. It is a SEBI Registered R & TA. The contact details of the same are mentioned at the beginning of the Report. The investors are kindly requested to address their queries, if any, to the R & TA. However, in case of any difficulties, they are always welcome to contact the Company's Company Secretary & Compliance Officer, the contact particulars of whom are contained in the Report and are also hosted on the website of the Company i.e. www.rakansteels.co.in.

CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable on your Company.

REPORTING OF FRAUD BY AUDITORS

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

WEBLINK OF ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013 link of Annual Report will be posted on the website of the Company i.e. www.rakansteels.co.in as and when it will be completed after the Annual General Meeting of the Company.

SECRETARIAL STANDARDS

The Company complies with all the applicable and notified Secretarial Standards issued by the Institute of Company Secretaries of India.

GENERAL

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.

- Issue of shares (including sweat equity shares) to employees of the Company under any scheme or even as Employee's Stock Option Plan.
- The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- No fraud has been reported by the Auditors to the Audit Committee or the Board.
- During the year under review, there were no cases filed or reported pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

RECORDING MINUTES OF PROCEEDINGS OF BOARD & COMMITTEE MEETINGS

The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to Board/Committee members for their comments as prescribed under the guidelines of Secretarial Standard-1 issued by the ICSI. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

STATUTORY COMPLIANCE

The Company has in place adequate systems and processes to ensure that it is in compliance with all applicable laws. The Company Secretary & Chief Legal Officer (Corporate & Compliance) is responsible for implementing the systems and processes for monitoring compliance with the applicable laws and for ensuring that the systems and processes are operating effectively. The Chief Executive Officer and Managing Director, places before the Board, at each meeting, a certificate of compliance with the applicable laws. The Company Secretary & Chief Legal Officer (Corporate & Compliance) also confirms compliance with Company law, SEBI Regulations and other corporate laws applicable to the Company.

ACKNOWLEDGEMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record its deep sense of appreciation and gratitude for the committed services by the Company's executives, staff and workers. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

By the Order and on behalf of the Board of Directors

For RAKAN STEELS LIMITED

DATE: August 13, 2022
PLACE: KANPUR

Sd/-
KANNAN AGARWAL
(MANAGING DIRECTOR)
DIN: 07318672

Sd/-
SANDEEP AGARWAL
(DIRECTOR)
DIN: 02957566

DECLARATION REGARDING ADHERENCE TO THE CODE OF CONDUCT

As provided under Clause 26(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all the Board Members and Senior Managerial Personnel have confirmed compliance with the Code of Conduct for the year ended March 31, 2022.

By the Order and on behalf of the Board of Directors

For RAKAN STEELS LIMITED

DATE: August 13, 2022
PLACE: KANPUR

Sd/-
KANNAN AGARWAL
(MANAGING DIRECTOR)

ANNEXURE “A” TO THE BOARD’S REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2022

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

To,
The Members,
Rakan Steels Limited
(CIN: L27320UP1985PLC007582)
NH-2 (1 km from Bara Toll Plaza)
Umran, Rania,
Kanpur Dehat-209311

We have conducted the Secretarial Audit of the compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Rakan Steels Limited (L27320UP1985PLC007582)** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the **Rakan Steels Limited** (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, I hereby report that in my 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:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by “the Company” for the financial year ended on 31st March 2022, to the extent applicable, 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 **(Not applicable during the year);**
- (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 **(Not applicable during the year);**
- (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 (Prohibition of Insider Trading) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) 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;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable during the year);**
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable during the year);**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable during the year);**

- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the year);**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable during the year);**
- (vi) Other Acts- As per the information provided by the company its officers and authorize representative there is no such other act /s applicable specifically to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (as amended from time to time).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with MSEI Limited.

To the best of my understanding, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that based on the information provided by the company, its officers and its authorized representatives during the conduct of the audit also on the report by respective department heads /Company Secretary/CFO taken on record by the Board of Directors of the Company, in my opinion.

Adequate system and processes and control mechanism exist in the company to monitor and to ensure the compliance with applicable general laws such as labour laws and environmental laws to the extent applicable to it.

We further report, that the compliance by the company of the applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the

same have been subject to review by statutory financial auditor and other designated professionals.

We further report, that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors/ KMP that took place during the period under review were carried out in compliance with the provisions of the Act. None of the directors were disqualified during the year. Mr. Kannan Agarwal was re appointed as the Managing Director of the Company after taking approval of shareholders of the Company in the Annual General Meeting of the Company held on 30.09.2021. Ms. Garima Priyani, Company Secretary and Compliance Officer of the Company resigned from the post through her resignation letter dated 13.08.2021 and Ms. Madhu Bansal was appointed as the new Company Secretary and Compliance Officer of the Company as per the requirement of Section 203 of the Companies Act, 2013 read with Rule 6 of *SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 w.e.f. 13.08.2021*.

The board met five times during the year which took place on 30.06.2021; 13.08.2021; 15.09.2021; 12.11.2021; 12.02.2022. Further the Annual General Meeting of the Company took place on 30.09.2021. The share transfer books of the company remain closed from September 23rd, 2021 to September 30th, 2021 for the purpose of Annual General Meeting of the Company.

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.

In addition to this, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation

at the meeting. Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that the all the meetings of the Committees took place as per the Compliance of Secretarial standards -1 as issued by the Institute of Company Secretaries of India.

We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under applicable laws/ Acts/ Regulations to the Company.

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.

Date: 13/08/2022

Place: Kanpur

For V. Agnihotri & Associates.

Sd/-

(Prop: Vaibhav Agnihotri)

FCS No. 10363

C P No.: 21596

UDIN: F010363D000765150

Peer Review No : 2065/2022

“ANNEXURE – A” TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
Rakan Steels Limited
(CIN: L27320UP1985PLC007582)
NH-2 (1 km from Bara Toll Plaza)
Umran, Rania,
Kanpur Dehat-209311

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

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

Place: Kanpur
Date: 13/08/2022

For V. Agnihotri & Associates.

Sd/-

(Prop: Vaibhav Agnihotri)

FCS No. 10363

C P No.: 21596

UDIN: F010363D000765150

Peer Review No: 2065/2022

RAKAN STEELS LIMITED

STANDALONE FINANCIAL

STATEMENTS FOR THE F.Y.

2021-2022

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
M/s RAKAN STEELS LIMITED,
NH-2 (1km from Bara Toll Plaza)
Umran, Rania, Kanpur Dehat- 209311

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s RAKAN STEELS LIMITED**, ("the Company") as at **31st March 2022** which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit/loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.
- 2) As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards 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 and 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 sub section (2) of Section 164 of the Companies Act, 2013.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) On the basis of the written representations received from the directors as on 31st march 2022;

(i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), n 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 provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v) No dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

For RAJANI MUKESH & ASSOCIATES

Chartered Accountants

FRN: 008433C

Sd/-

MUKESH RAJANI

Proprietor

M.No: 073098

Place: Kanpur.

Dated: 30.05.2022

UDIN: 22073098AJWTKH8905

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2022, we report that:

- i. In respect of its fixed assets :
 - a) The companies namely Rakan Steels Limited have maintained proper records to show full particulars including quantitative details and situation of its property, plant & equipment.
 - b) The property, plant & equipment were physically verified during the year by the Management in accordance with a phased programme of verification, which, in our opinion, provides for physical verification of all the property, plant & equipment at reasonable intervals having regard to the size of the Company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in the favour of lessee) are held in the name of the Company.
 - d) According to the information and explanations given to us and on the basis of our examination of the records of the Company it has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e) There are no such proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii.
 - a) The inventories have been physically verified during the year by the management. In our opinion frequency of verification is reasonable. As explained to us, there were no material discrepancies noticed on physical verification as compared to the book records.
 - b) According to the information and explanations given to us, the companies have not been sanctioned any working capital limits during any point of time of the year in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.

- iii. As per the records produced before us and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in nature of loans, secured and unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013, therefore, the relevant provisions of the Companies (Auditor's Report) order, 2020, are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to loans and investments made.
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any amount which are deemed to be deposits within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013, therefore, the relevant provisions of the Companies (Auditor's Report) order, 2020, are not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of the Companies Act, 2013 in respect of business activities of the Company.
- vii. In respect of statutory dues :
 - a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty excise duty and other statutory dues mentioned above were in arrears, as at 31.03.2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute.

- viii. According to the information and explanation given to us, none of the transactions are left unrecorded in the books of account, or have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues or in the payment of interest thereon to any lender or to financial institutions or banks. The Company does not have any loans or borrowings from Government or debenture holders during the year.

- x. a) The Company did not raise any money by way of Initial Public offer or further Public Offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.

- b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- xi. a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.

- b) No such report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c) None whistle-blower complaints were received during the year by the company.

- 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 on the basis of our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required.
- xiv. a) Yes, the company has an internal audit system commensurate with the size and nature of its business
- b) Yes, reports of the Internal Auditors for the period under audit were considered by the statutory auditor;
- xv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not 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.
- xvii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has incurred no cash losses in the financial year and in the immediately preceding financial year.
- xviii. There had been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

- b) There are no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For RAJANI MUKESH & ASSOCIATES

Chartered Accountants

FRN: 008433C

MUKESH RAJANI

Proprietor

M.No: 073098

Place: Kanpur

Dated: 30.05.2022

UDIN: 22073098AJWTKH8905

Annexure-B to the Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")

We have audited the internal financial controls over financial reporting of **M/s Rakan Steels Limited** ("the Company") as of 31st March, 2022 in the conjunction with our audit of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of 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 risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control system 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 the financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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 period are subject to the risk that the

internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 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.

For RAJANI MUKESH & ASSOCIATES

Chartered Accountants

FRN: 008433C

MUKESH RAJANI

Proprietor

M.No: 073098

Place: Kanpur

Dated: 30.05.2022

UDIN: 22073098AJWTKH8905

RAKAN STEELS LIMITED

BALANCE SHEET

AS AT 31ST MARCH 2022

	Note No.	As at 31st March, 2022	As at 31st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2.1	1,42,58,341	57,63,929
Capital Work-in-Progress		-	-
Financial Assets			
Investments	2.2	-	-
Loan	2.3	-	-
Other Financial Assets	2.4	-	-
Deferred Tax Assets (Net)		1,62,996	1,55,764
Other Non-Current Assets	2.5	4,73,667	4,73,667
Current Assets			
Inventories	2.6	7,32,84,935	6,88,73,632
Financial Assets			
Investments	2.7	-	-
Trade Receivables	2.8	3,30,42,143	3,73,08,454
Cash and Cash Equivalents	2.9	32,02,958	41,72,731
Bank Balances other than Cash and Cash equivalents	2.10	-	-
Loans	2.11	-	-
Other Financial Assets	2.12	-	-
Current Tax Assets (Net)	2.13	50,000	1,00,000
Other Current Assets	2.14	24,99,480	49,65,943
TOTAL ASSETS		12,69,74,520	12,18,14,120
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.15	3,24,00,000	3,24,00,000
Other Equity	2.16	1,50,95,719	1,43,79,368
		4,74,95,719	4,67,79,368
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.17	5,96,13,721	6,55,70,987
Other Financial Liabilities	2.18	-	-
		5,96,13,721	6,55,70,987
Provisions	2.19	-	-
Deferred Tax Liabilities (Net)	2.20	-	-
Other Non-Current Liabilities	2.21	-	-
Current Liabilities			
Financial Liabilities			
Borrowings	2.22	-	-
Trade Payables-Total Outstanding Dues of	2.23	85,75,889	39,17,837
- Micro and Small Enterprises		8,96,824	-
- Creditors other than Micro and Small Enterprises		76,79,065	39,17,837
Other Financial Liabilities	2.24	24,00,000	24,00,000
		1,09,75,889	63,17,837
Other Current Liabilities	2.25	86,54,191	27,70,928
Provisions	2.26	2,35,000	3,75,000
Current Tax Liabilities (Net)		-	-
TOTAL EQUITY AND LIABILITIES		12,69,74,520	12,18,14,120

Significant Accounting Policies

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

For Rajani Mukesh & Associates
Chartered Accountants

(Mukesh Rajani)
Partner
M.No: 073098
FRNo.0004072C

Kannan Agarwal
(Managing Director)
DIN: 07318672

Sandeep Agarwal
(Director)
DIN: 02957566

Place : Kanpur
Date : 30.05.2022

Kashish Grover
(Chief Financial Officer)

Madhu Bansal
(Company Secretary)

RAKAN STEELS LIMITED
STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH 2022

	Note No.	Year Ended 31st March, 2022 Current Year	Year Ended 31st March, 2021 Previous Year
INCOME			
Revenue from Operations	3.1	33,77,62,945	23,10,46,234
Other Income	3.2	4,64,022	29,53,806
Total Income (I)		33,82,26,967	23,40,00,040
EXPENSES			
Cost of Materials Consumed	3.3	11,32,75,647	10,68,93,569
Purchase of Stock-in-Trade	3.4	20,27,77,622	10,40,28,629
Changes in Inventories of Finished Goods, Work-in-Prog	3.5	16,84,512	-19,12,445
Employees Benefits Expenses	3.6	21,10,055	23,90,546
Finance Costs	3.7	62,67,973	65,49,073
Depreciation and Amortisation Expenses	2.1	10,45,606	12,63,095
Other Expenses	3.8	1,01,21,433	1,33,15,891
Total Expenses (II)		33,72,82,848	23,25,28,358
Profit Before Exceptional Item and Tax		9,44,119	14,71,682
Exceptional Item		-	-
Profit Before Tax		9,44,119	14,71,682
Tax Expenses			
Current Tax		2,35,000	3,75,000
Tax Relating To Prior Period		-	-36,778
Deferred Tax		-7,232	-17,517
Total Tax Expense		2,27,768	3,20,705
Profit for the Year (III)		7,16,351	11,50,977
OTHER COMPREHENSIVE INCOME	3.9		
Items that will not be considered to profit or loss		-	-
Items that will be considered to profit or loss			
Exchange differences on translating foreign operations		-	-
Less: Tax Effect on above		-	-
Other Comprehensive Income for the Year (IV)		-	-
Total Comprehensive Income for the Year (III+IV)		7,16,351	11,50,977
Earnings per Equity Share (Face Value Rs. 1 each)			
Basic (Rs.)		0.02	0.04
Diluted (Rs.)		0.02	0.04

Significant Accounting Policies

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached
For Rajani Mukesh & Associates
Chartered Accountants

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

(Mukesh Rajani)
Partner
M.No: 073098
FRNo.0004072C

Kannan Agarwal Sandeep Agarwal
(Managing Director) (Director)
DIN: 07318672 DIN: 02957566

Place : Kanpur
Date : 30.05.2022

Kashish Grover Madhu Bansal
(Chief Financial Officer) (Company Secretary)

STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2022

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2022

Balance as at 1st April, 2021	Changes in Equity Share Capital	Balance as at 31st March, 2022
3,24,00,000	-	3,24,00,000

B. OTHER EQUITY

	Securities Premium Reserve	General Reserve	Reserves & Surplus Capital Reserve	Retained Earnings	Equity Instru- ments through Other Compre- hensive Income	Currency Transla- tion Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Compre- hensive Income	Total
As at 31st March 2022									
Opening Balance as at 1st April, 2021	1,40,00,000	8,00,000	15,89,220	-20,09,852	-	-	-	-	1,43,79,368
Profit for the year	-	-	-	7,16,351	-	-	-	-	7,16,351
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Capital Reserve	-	-	-	-	-	-	-	-	-
Capital Subsidy (effect under Ind AS to be seen)	-	-	-	-	-	-	-	-	-
Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year									
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-
Closing Balance as at 31st March, 2021	1,40,00,000	8,00,000	15,89,220	-12,93,501	-	-	-	-	1,50,95,719

	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instru- ments through Other Compre- hensive Income	Currency Transla- tion Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Compre- hensive Income	Total
As at 31st March 2021									
Opening Balance as at 1st April, 2020	1,40,00,000	8,00,000	15,89,220	-31,60,829	-	-	-	-	1,32,28,391
Profit for the year	-	-	-	11,50,977	-	-	-	-	11,50,977
Other Comprehensive Income for the year	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Capital Reserve	-	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to General Reserve	-	-	-	-	-	-	-	-	-
Capital Subsidy (effect under Ind AS to be seen)	-	-	-	-	-	-	-	-	-
Dividend (Including Corporate Dividend Tax)	-	-	-	-	-	-	-	-	-
Other Comprehensive Income for the year									
Exchange Difference on Translation of Foreign Operations	-	-	-	-	-	-	-	-	-
Closing Balance as at 31st March, 2022	1,40,00,000	8,00,000	15,89,220	-20,09,852	-	-	-	-	1,43,79,368

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached

For R For Rajani Mukesh & Associates
Chartered Accountants

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

(Mukesh Rajani)
Partner
M.No: 073098
FRNo.0004072C

Kannan Agarwal
(Managing Director)
DIN: 07318672

Sandeep Agarwal
(Director)
DIN: 02957566

Place : Kanpur
Date : 30.05.2022

Kashish Grover
(Chief Financial Officer)

Madhu Bansal
(Company Secretary)

RAKAN STEELS LIMITED

Cash Flow Statement For The Year Ended 31.03.2022

Particulars		Year Ended 31.03.2022		Year Ended 31.03.2021
A Cash Flow from Operating Activities				
Profit for the Year before tax & extraordinary items		944119		1471682
<u>Adjustment for:</u>				
Depreciation	1045606		1263095	
Interest & Financial Charges	6267973	7313579	6549073	7812168
Operating Profit before Working Capital changes		8257698		9283850
<u>Adjustments for:</u>				
(Increase)/Decrease in Loans and Advances	0		0	
(Increase)/Decrease in Trade Recievables	4266311		1479038	
(Increase)/Decrease in Inventory	-4411303		-1550922	
(Increase)/Decrease in Current Assets	2516463		-2589543	
Increase/(Decrease) in current Liabilities	10541315		-2857230	
Less:-Direct Taxes Paid (Net)	-235000	12677786	-338222	-5856879
Net Cash from Operating Activities		20935484		3426971
B Cash Flow from Investing Activities				
Purchase of fixed asset	9540018	-9540018	302113	-302113
Purchase of investment	0	0	0	0
(Increase)/Decrease in Non Current Assets	0	0	0	0
Increase/(Decrease) in Non Current Liabilities	-140000	-140000	-110861	-110861
Net Cash from Investing Activities		-9680018		-412974
C Cash Flow from Financing Activities				
(Payment)/ Receipt of Long Term Borrowing	-5957266		4376945	
(Payment)/ Receipt of other Long Term Liabilities	0		0	
Interest and Financial Charges	-6267973		-6549073	
Dividends paid	0	-12225239	0	-2172128
Net Cash from Financing Activities		-12225239		-2172128
NET CASH FLOWS DURING THE YEAR(A+B+C)		-969773		841869
Cash and Cash Equivalents(Opening Balance)		4172731		3330862
Cash and Cash Equivalents(Closing Balance)		3202958		4172731

For Rajani Mukesh & Associates
Chartered Accountants

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

(Mukesh Rajani)
Partner
M.No: 073098
FRNo.0004072C

Kannan Agarwal
(Managing Director)
DIN: 07318672

Sandeep Agarwal
(Director)
DIN: 02957566

Place : Kanpur
Date : 30.05.2022

Kashish Grover
(Chief Financial Officer)

Madhu Bansal
(Company Secretary)

RAKAN STEELS LIMITED

Notes forming part of the Financial Statements

2.1 PROPERTY, PLANT AND EQUIPMENT

PARTICULARS	Gross Block				Depreciation				NET BLOCK	
	As at 1st	Additions	Deductions/ Derecognition	As at 31st	As at 1st	For the	Deductions/ Derecognition	As at 31st	As at 31st	As at 1st
	April, 2020			March, 2021	April, 2020	Year		March, 2021	March, 2021	April, 2020
Tangible Assets *										
Laboratory Equipment	15,23,265	-	-	15,23,265	13,37,520	83,717.00	-	14,21,237	1,02,028	1,85,745
Computer Peripherals	6,94,770	-	-	6,94,770	6,11,730	33,156.00	-	6,44,886	49,884	83,040
Buildings	34,08,464	-	-	34,08,464	5,57,120	1,38,860.00	-	6,95,980	27,12,484	28,51,344
Plant & Machinery	33,60,633	-	-	33,60,633	17,04,397	3,02,340.00	-	20,06,737	13,53,896	16,56,236
Office Equipments	4,91,255	3,02,113.00	-	7,93,368	3,55,798	1,42,396.00	-	4,98,194	2,95,174	1,35,457
Furniture & Fittings	2,34,754	-	-	2,34,754	1,55,436	22,088.00	-	1,77,524	57,230	79,318
Vehicles	33,30,162	-	-	33,30,162	16,16,174	5,35,416.00	-	21,51,590	11,78,572	17,13,988
Electrical Equipments	57,206	-	-	57,206	37,423	5,122.00	-	42,545	14,661	19,783
Total Tangible Assets	1,31,00,509	3,02,113	-	1,34,02,622	63,75,598	12,63,095	-	76,38,693	57,63,929	67,24,911
Previous Year	91,68,261	14,17,076	-	1,05,85,337	40,89,994	9,95,422	-	50,85,416	54,99,921	50,78,267

* The Tangible Assets of the Company are pledged as security against the secured borrowings disclosed in the separate note

The Leasehold Land classified as Finance Lease is recognised under PPE as substantially all the significant risk and rewards incidental to ownership of land under lease have been transferred to the Company.

RAKAN STEELS LIMITED			
2.2 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS			
	As at 31st March, 2022	As at 31st March, 2021	
Investments at Cost			
Investments in Equity instruments of Subsidiaries			
Unquoted			
Total Investments carried at cost	0	0	
Investments at fair value through OCI (fully paid)			
Quoted Shares			
Unquoted Investments in Equity Shares	0	0	
Quoted Investments in Mutual Funds	0	0	
Investments carried at fair value through Other Comprehensive Income	0	0	
Total Investments	0	0	
Current	0	0	
Non-Current	0	0	
	0	0	
2.3 NON-CURRENT FINANCIAL ASSETS - LOANS			
	As at 31st March, 2022	As at 31st March, 2021	
(Unsecured, Considered Good unless otherwise stated)			
Loans to Related Parties	0	0	
Other Loans	0	0	
Loans to Employees	0	0	
	0	0	
2.4 NON-CURRENT FINANCIAL ASSETS - OTHERS			
	As at 31st March, 2022	As at 31st March, 2021	
Fixed Deposits with Banks with maturity more than 12 Months	0	0	
	0	0	
2.5 OTHER NON-CURRENT ASSETS			
	As at 31st March, 2022	As at 31st March, 2021	
Capital Advances for Purchase of Property, Plant and Equipment	0	0	
Security Deposits	4,73,667	4,73,667	
Other Advances (Deposit with Government Authorities, etc.)	0	0	
	4,73,667	4,73,667	
Security Deposits :			
Secured, considered good	0	0	
Unsecured , considered good	473667	473667	
Doubtful less allowances for bad and doubtful debts	0	0	
No Debts are due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.			
2.6 INVENTORIES			
(Valued at lower of cost and net realisable value, unless otherwise stated)			
	As at 31st March, 2022	As at 31st March, 2021	
Raw Material	67,23,698	6,27,883	
Finished Goods	6,63,61,237	6,80,45,749	
Stock in Process	0	0	
Packing Materials, Stores & Chemicals	2,00,000	2,00,000	
	7,32,84,935	6,88,73,632	
2.6.1	The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. No Provision are made for the year (31st March 2022 Rs. Nil). Inventory values shown above are net of the provisions.		

2.7	CURRENT FINANCIAL ASSETS - INVESTMENTS				
			As at 31st March, 2022	As at 31st March, 2021	
	Investments at fair value through FVTPL (fully paid)				
	Quoted Shares		0	0	
	Quoted Investments in Mutual Funds		0	0	
	Investments carried at fair value through Other Comprehensive Income		0	0	
	Total Investments		0	0	
2.8	TRADE RECEIVABLES				
			As at 31st March, 2022	As at 31st March, 2021	
	a) Trade Receivables considered good – Secured.		0	0	
	b) Trade Receivables considered good – Unsecured.		3,30,42,143	3,73,08,454	
	c) Trade Receivables that have an increase in Credit Risk that is significant.		0	0	
	d) Trade Receivables – Credit Impaired.		0	0	
			3,30,42,143	3,73,08,454	
	Less: Impairment Loss		0	0	
			3,30,42,143	3,73,08,454	
Particulars		Outstanding for following periods from due date of payment			
		Less than 6 months	6 months -1 ye	1-2 years	2-3 years
(i)	Undisputed Trade receivables – considered good	24038971	495621	8507551	0
(ii)	Undisputed Trade Receivables – considered doubtful	0	0	0	0
(iii)	Disputed Trade Receivables considered good	0	0	0	0
(iv)	Disputed Trade Receivables considered doubtful	0	0	0	0
(v)	Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0
(vi)	Disputed Trade Receivables – credit impaired	0	0	0	0
No Debts are due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.					
2.9	CASH AND CASH EQUIVALENTS				
			As at 31st March, 2022	As at 31st March, 2021	
	Cash in hand		22,96,876	21,08,289	
	Balances with Banks				
	In Current Account		5,31,082	17,64,442	
	In Deposit Account - Original Maturity of 3 Months or Less		3,75,000	3,00,000	
			32,02,958	41,72,731	
2.10	BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS				
			As at 31st March, 2022	As at 31st March, 2021	
	Deposits with Bank in Dividend Account		0	0	
	Bank Deposits (with maturity more than 3 months but less than 12 months)		0	0	
			0	0	
	# Whether Lodged as security with Any Authority				

2.11	CURRENT FINANCIAL ASSETS - LOANS		
		As at 31st March, 2022	As at 31st March, 2021
	a) Loans Receivables considered good – Secured.	0	0
	b) Loans Receivables considered good – Unsecured.	0	0
	c) Loans Receivables which have a significant increase in credit risk.	0	0
	d) Loans Receivables – Credit Impaired.	0	0
		0	0
	2.12 OTHERS FINANCIAL ASSETS		
		As at 31st March, 2022	As at 31st March, 2021
2.13	Interest Accured on Fixed Deposit	0	0
	Cash Flow Hedges	0	0
		0	0
	CURRENT TAX ASSETS (NET)		
2.14		As at 31st March, 2022	As at 31st March, 2021
	Advance Income Tax (Net of Provision)	50,000	1,00,000
	GST (Net of Provision)	-	-
		50,000	1,00,000
	OTHER CURRENT ASSETS		
		As at 31st March, 2022	As at 31st March, 2021
	Unsecured, Considered Good		
	Advances to Suppliers	10,68,999	39,46,496
	Prepaid Expenses Pre Paid Insurance	26,090	49,830
	Other Advances	14,04,391	9,69,617
		24,99,480	49,65,943

2.15 EQUITY SHARE CAPITAL																																											
			As at 31st March, 2022	As at 31st March, 2021																																							
2.151	Authorised 5,50,00,000 Equity Shares of Re. 1/- each (Previous Year 5,50,00,000 Equity Shares of Re. 1/- each)		5,50,00,000	5,50,00,000																																							
			5,50,00,000	5,50,00,000																																							
			As at 31st March, 2022	As at 31st March, 2021																																							
2.152	Issued, Subscribed and Fully Paid-up 3,24,00,000 Equity Shares of Re. 1/- each (Previous Year 3,24,00,000 Equity Shares of Re. 1/- each)		3,24,00,000	3,24,00,000																																							
			3,24,00,000	3,24,00,000																																							
2.153	Reconciliation of the Number of Equity Shares Outstanding																																										
			Number of Shares																																								
			Current Year	Previous Year																																							
	Outstanding as at the beginning of the year		3,24,00,000	3,24,00,000																																							
	Add: Issued/sub-divided during the year		-	-																																							
	Outstanding as at the end of the year		3,24,00,000	3,24,00,000																																							
2.154	Rights, Preferences and Restrictions attached to Equity Shares The Company has only one class of Equity Shares having a par value of Re. 1 per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees but has not proposed any dividend for the current year. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.																																										
2.155	List of Shareholders holding more than 5% Shares in the Equity Share Capital of the Company																																										
			Current Year	Previous Year																																							
			No. of Shares	% Holding																																							
	Rajvardhan Agencies Private Limited		2683000	8.28%																																							
	Surendra Mohan Agarwal		2431000	7.50%																																							
			No. of Shares	% Holding																																							
			2683000	8.28%																																							
			2431000	7.50%																																							
<table> <tr> <th rowspan="2">Name of Promoter</th><th colspan="2">As at 31st March 2022</th><th colspan="2">As at 31st March 2021</th></tr> <tr> <th>No. of Shares held</th><th>% holding in that class of shares</th><th>No. of Shares held</th><th>% holding in that class of shares</th></tr> <tr> <td>Rajvardhan Agencies Pvt. Ltd.</td><td>2683000</td><td>8.28%</td><td>2683000</td><td>8.28%</td></tr> <tr> <td>SURENDRA MOHAN AGARWAL</td><td>2430000</td><td>7.50%</td><td>2431000</td><td>7.50%</td></tr> <tr> <td>SANDEEP AGARWAL</td><td>1688160</td><td>5.21%</td><td>1688160</td><td>5.21%</td></tr> <tr> <td>SANJEEV AGARWAL</td><td>1103000</td><td>3.40%</td><td>1103000</td><td>3.40%</td></tr> <tr> <td>PAWAN KUMARI AGARWAL</td><td>830000</td><td>2.56%</td><td>830000</td><td>2.56%</td></tr> <tr> <td>BINDU AGARWAL</td><td>819500</td><td>2.53%</td><td>819500</td><td>2.53%</td></tr> </table>					Name of Promoter	As at 31st March 2022		As at 31st March 2021		No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares	Rajvardhan Agencies Pvt. Ltd.	2683000	8.28%	2683000	8.28%	SURENDRA MOHAN AGARWAL	2430000	7.50%	2431000	7.50%	SANDEEP AGARWAL	1688160	5.21%	1688160	5.21%	SANJEEV AGARWAL	1103000	3.40%	1103000	3.40%	PAWAN KUMARI AGARWAL	830000	2.56%	830000	2.56%	BINDU AGARWAL	819500	2.53%	819500	2.53%
Name of Promoter	As at 31st March 2022		As at 31st March 2021																																								
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares																																							
Rajvardhan Agencies Pvt. Ltd.	2683000	8.28%	2683000	8.28%																																							
SURENDRA MOHAN AGARWAL	2430000	7.50%	2431000	7.50%																																							
SANDEEP AGARWAL	1688160	5.21%	1688160	5.21%																																							
SANJEEV AGARWAL	1103000	3.40%	1103000	3.40%																																							
PAWAN KUMARI AGARWAL	830000	2.56%	830000	2.56%																																							
BINDU AGARWAL	819500	2.53%	819500	2.53%																																							
2.16 OTHER EQUITY																																											
			As at 31st March, 2022	As at 31st March, 2021																																							
	Securities Premium Reserve		14000000	14000000																																							
	General Reserve		800000	800000																																							
	Capital Reserve		1589220	1589220																																							
	Retained Earnings		-1293501	-2009852																																							
	Other Comprehensive Income		0	0																																							
			15095719	14379368																																							
	The Description of the nature and purpose of each reserve within equity is as follows:																																										
a.	Securities Premium Reserve: Securities premium reserve is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.																																										
b.	General Reserve: It is a free reserve which is created by appropriation from profits of the current year and/or undistributed profits of previous years, before declaration of dividend duly complying with any regulations in this regard.																																										
c.	Capital Reserve: Capital Reserve is the reserve created by investment made in plant and machinery in accordance with the then applicable Government Policies. It can be used for acquiring plant and machinery and other capital investments.																																										

2.17 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31st March, 2022	As at 31st March, 2021
Secured		
Rupee Term Loan from Banks	5,88,50,158	6,48,07,424
Foreign Currency Term Loan from Banks		
Un-Secured		
Loans & Advances from Related Parties/ Shareholders & Directors	7,63,563	7,63,563
	5,96,13,721	6,55,70,987

2.171 Nature of Security, Repayment Terms and Break-up of Current and Non-Current

	Current Year		Previous Year	
	Current *	Non-Current	Current *	Non-Current
Secured Long-Term Borrowings:				
Rupee Term Loan secured by first charge on the premises situated on arazi number 2153, 2159, 2160, 2161 and 2191 mauza umran, tehsil- Akbarpur, District-Kanpur and personal guarantee by three directors and their relatives.	24,00,000	5,81,31,599	24,00,000	6,48,07,424
HDFC CAR LOAN (Secured against hypothecation of car)		7,18,559		
	24,00,000	5,88,50,158	24,00,000	6,48,07,424

2.172 Maturity Profile of Non-Current Borrowings (including Current Maturities) is as set out below:

	Maturity Profile			
	Within 2 Years	2 - 3 Years	5 - 6 Years	7 Years & Above
Secured				
Rupee Term Loan from Banks	7200000	24931599	9600000	18800000
Foreign Currency Term Loan from Banks	0	0	0	0
Current Year	0	0	0	0
Previous Year	0	0	0	0

2.18 NON-CURRENT OTHER FINANCIAL LIABILITIES

	As at 31st March, 2022	As at 31st March, 2021
Security and other Deposits	0	0
	0	0

2.19 NON-CURRENT PROVISIONS

	As at 31st March, 2022	As at 31st March, 2021
Employees Benefits - Gratuity etc	0	0
	0	0

2.20 DEFERRED TAX LIABILITIES (NET)					
	As at 31st March, 2021	MAT Credit Utilized	Charge for the C. Year Profit or Loss Other Comprehensive Income		As at 31st March, 2022
Deferred Tax Liabilities:	0	0	0	0	0
Accumulated Depreciation	-155764	0	-7232	0	-162996
Fair Valuation of Equity Instruments and Bonds measured at FVTOCI	0	0	0	0	0
Fair Valuation of Mutual Funds measured at FVTPL	0	0	0	0	0
Others	0	0	0	0	0
	-155764	0	-7232	0	-162996
Deferred Tax Assets:					
Accrued Expenses Allowable on Payment Basis	0	0	0	0	0
Expenses Allowable in Instalments in Income Tax	0	0	0	0	0
Provision for Contingencies Allowable on Payment Basis	0	0	0	0	0
MAT Credit Entitlement	0	0	0	0	0
Fair Valuation of Preference Shares measured at FVTPL	0	0	0	0	0
	0	0	0	0	0
Deferred Tax Liabilities (Net)	-155764	0	-7232	0	-162996
NOT IN BOOKS					
	As at 31st March, 2022		Charge for the C. Year Profit or Loss Other Comprehensive Income		As at 31st March, 2021
Deferred Tax Liabilities:	0	0	0	0	0
Accumulated Depreciation	-138247	0	-17517	0	-155764
Fair Valuation of Equity Instruments and Bonds measured at FVTOCI	0	0	0	0	0
Fair Valuation of Mutual Funds measured at FVTPL	0	0	0	0	0
Others	0	0	0	0	0
	-138247	0	-17517	0	-155764
Deferred Tax Assets:					
Accrued Expenses Allowable on Payment Basis	0	0	0	0	0
Expenses Allowable in Instalments in Income Tax	0	0	0	0	0
Provision for Contingencies Allowable on Payment Basis	0	0	0	0	0
MAT Credit Entitlement	0	0	0	0	0
Fair Valuation of Preference Shares measured at FVTPL	0	0	0	0	0
	0	0	0	0	0
Deferred Tax Liabilities (Net)	-138247	0	-17517	0	-155764

2.21 OTHER NON-CURRENT LIABILITIES			
	As at 31st March, 2022	As at 31st March, 2021	
Other Creditors	0	0	
Deferred Revenue from Government Grant	0	0	
Other Liabilities	0	0	
	0	0	
2.22 CURRENT FINANCIAL LIABILITIES - BORROWINGS			
	As at 31st March, 2022	As at 31st March, 2021	
Loans Repayable on Demand from Banks			
Secured:			
Working Capital Borrowings	0	0	
	0	0	

2.23	CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES																
		As at 31st March, 2022	As at 31st March, 2021														
	Due to Micro and Small Enterprises	8,96,824	0														
	Due to Related Parties	0	0														
	Others	76,79,065	39,17,837														
		85,75,889	39,17,837														
	# This information has been determined to the extent such parties have been identified on the basis of information available with the Company.																
	Trade Payables Ageing Schedule																
	<table> <tr> <th data-bbox="261 384 418 447">Particulars</th><th colspan="4" data-bbox="423 384 1084 447">Outstandind for following periods from due date of Payment</th><th data-bbox="1089 384 1230 447"></th><th data-bbox="1235 384 1377 447"></th></tr> <tr> <th data-bbox="261 447 418 499"></th><th data-bbox="423 447 516 499"></th><th data-bbox="521 447 873 499">Less than 1 year</th><th data-bbox="878 447 971 499">1-2 Years</th><th data-bbox="976 447 1084 499">2-3 Years</th><th data-bbox="1089 447 1230 499">More than 3 Years</th><th data-bbox="1235 447 1377 499">Total</th></tr> </table>	Particulars	Outstandind for following periods from due date of Payment								Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total		
Particulars	Outstandind for following periods from due date of Payment																
		Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total											
	(i)MSME	8,96,824	-	-	-	8,96,824											
	(ii)Others	76,79,065	-	-	-	76,79,065											
	(iii)Disputed dues-MSME	-	-	-	-	-											
	(iv)Disputed Dues - Others	-	-	-	-	-											

3.1 SALE OF PRODUCT & SERVICES (GROSS)			
		Current Year	Previous Year
Sale of Product	32,55,91,793	22,58,32,534	
Stock converted into Capital asset	92,50,000	-	
Sale of Service:			
Educational Fee Receipt	29,21,152	52,13,700	
Rent			
	33,77,62,945	23,10,46,234	
3.2 OTHER INCOME			
		Current Year	Previous Year
Interest Received	54	18,000	
Interest on Income Tax Refund	-	-	
Dividend	-	-	
Profit of Sale of Investments	-	-	
Profit of Sale of Assets	-	-	
Profit of Sale of Investments (Measured at FVTPL)	-	-	
Other Income	4,63,968	29,35,806	
	4,64,022	29,53,806	
3.3 COST OF MATERIAL CONSUMED			
		Current Year	Previous Year
Raw-Material Consumed			
Opening Stock	6,27,883	9,89,406	
Add: Purchase & Incidental Expenses	11,91,61,337	10,60,57,133	
Less: Closing Stock	67,23,698	6,27,883	
Raw-Material Consumed	11,30,65,522	10,64,18,656	
Packing Material, Stores & Chemicals consumed			
Opening Stock	2,00,000	2,00,000	
Add: Purchase & Incidental Expenses	2,10,125	4,74,913	
Less: Closing Stock	2,00,000	2,00,000	
Packing Material, Stores & Chemicals consumed	2,10,125	4,74,913	
	11,32,75,647	10,68,93,569	
3.4 PURCHASE OF STOCK-IN-TRADE			
		Current Year	Previous Year
Purchase of Stock	20,27,77,622	10,40,28,629	
	20,27,77,622	10,40,28,629	
3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE			
		Current Year	Previous Year
Opening Stock			
Finished Goods	6,80,45,749	6,61,33,304	
Stock-in-Process	-	-	
	6,80,45,749	6,61,33,304	
Less: Closing Stock			
Finished Goods	6,63,61,237	6,80,45,749	
Stock-in-Process	-	-	
	6,63,61,237	6,80,45,749	
(Increase)/Decrease in Stock	16,84,512	-19,12,445	

3.6 EMPLOYEES BENEFIT EXPENSES		
	Current Year	Previous Year
Salaries, Wages and Bonus etc	20,38,347	23,20,699
Contribution to Provident and other funds	49,458	49,597
Staff Welfare Expenses	22,250	20,250
	21,10,055	23,90,546
3.7 FINANCE COST		
	Current Year	Previous Year
Interest Expense	61,61,085	63,45,720
Other Finance Cost	1,06,888	2,03,353
	62,67,973	65,49,073
3.8 OTHER EXPENSES		
	Current Year	Previous Year
Manufacturing Expenses		
Power and Fuel	21,25,791	23,60,124
Freight and Cartage	17,58,503	51,93,457
Administrative, Selling & Distribution Expenses		
Administrative Expenses	-	-
Advertisement & Publicity	2,30,621	62,709
Auditor Fees	30,000	30,000
Director's/ CFO Remuneration	36,00,000	34,50,000
Insurance	77,725	1,04,040
Legal Expenses	-	54,000
Miscellaneous Expenses	1,70,070	21,311
Office Expenses	3,49,245	2,99,243
Postage, Telegram & telephone	87,200	60,933
Printing & Stationery	24,002	28,875
Professional & Consultancy Charges	1,60,212	1,17,198
Rate & Taxes & Fees	2,77,661	4,55,880
Repairs & Maintenance	2,12,833	5,05,636
Travelling Expenses 34450	3,50,398	59,092
Vehicle Running & Maintenance	6,67,172	5,13,393
	1,01,21,433	1,33,15,891
3.9 OTHER COMPREHENSIVE INCOME		
	Current Year	Previous Year
Items that will not be reclassified to Profit and Loss		
Equity Instrument through Other Comprehensive Income	-	-
Re-measurement of Defined Benefit Plan	-	-
Less: Income Tax	-	-
Items that will be reclassified to Profit and Loss		
Exchange differences on translating foreign operations	-	-
Less: Income Tax	-	-
	-	-

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio	CURRENT ASSETS 112079516 115420760	CURRENT LIABILITIES 19865080 9463765	5.64	12.20	-116.16	Rise in level of current liabilities
Debt-equity Ratio	TOTAL LIABILITIES 79478801 75034752	EQUITY CAPITAL 47495719 46779368	1.67	1.60	4.15	
Debt service coverage ratio	NET OPERATING INCOME 8257698 9283850	CURRENT DEBT OBLIGATION 2400000 2400000	3.44	3.87	-12.43	
Return on equity	NET INCOME 8257698 9283850	EQUITY SHAREHOLDER FUNDS 47495719 46779368	0.17	0.20	-14.15	
Inventory turnover ratio	COST OF GOODS SOLD 317737781 209009753	AV. INVENTORY 71079284 68098171	4.47	3.07	31.34	Cost of goods sold increased substantially because of rise in turnover
Trade receivables turnover ratio	CREDIT SALE 337762945 231046234	AVG. TRADE RECEIVABLES 35175299 38047973	9.60	6.07	36.76	Increase in Credit Sales
Trade Payables turnover ratio	CREDIT PURCHASE 322149084 210560675	AVG. TRADE PAYABLES 6246863 4913220	51.57	42.86	16.90	
Net Capital turnover ratio	TURNOVER 338226967 234000040	CAPITAL EMPLOYED (CA-CL) 92214436 105956995	3.67	2.21	39.79	Substantial Increase in turnover as compared to increase in capital employed
Net profit ratio	NET INCOME 8257698 9283850	REVENUE 338226967 234000040	0.02	0.04	-62.50	Substantial Increase in turnover as compared to increase in net income
Return on capital employed	EBIT 7212092 8020755	CAPITAL EMPLOYED (TA-CL) 107109440 112350355	0.07	0.07	-6.02	
Return on Investment	NET INCOME 7212092 8020755	AV. EQUITY 47137544 46203880	0.15	0.17	-13.46	

Additional Regulatory Information

(i) Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Plant & Machinery	3360633				
-	Building	3408464				
	Laboratory Equipment	1523265				
	Computer Peripherals	694770				
	Office Equipments	793368				
	Furniture & Fittings	234754				
	Vehicles	3330162				
	Electrical Equipments	57206				
Investment property	Land					
-	Building					
PPE retired from active use and held for disposal	Land					
-	Building					
others						

(iii) Loans granted to Promoters, Directors, KMPs and other Related Parties

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of Loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

(iv) Capital Work in Progress

CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-				
Projects temporarily suspended	-				

CWIP completion schedule

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1				
Project 2				

(v) Intangible assets under development aging schedule

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
Projects temporarily suspended					

Intangible assets under development completion schedule

Intangible assets under development	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1					
Project 2					

(vi) Details of Benami Property Held

No such Benami Property is held by the Company.

(viii) Wilful Defaulter

The Company has NOT been declared a Wilful Defaulter by any Bank or Financial Institution or other lender.

(ix) Relationship with Struck off Companies

Name of struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities		
	Receivables		
	Payables		
	Shares held by struck off company		
	Other outstanding balances (to be specified)		

ANNEXURE – RELATED PARTY DISCLOSURES (IND AS – 24)

<u>S.No.</u>	<u>Name of Related Party and Nature of Relationship</u>	<u>Nature of Transaction</u>	<u>Transaction Value</u>
1.	Sandeep Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	12,00,000.00
2.	Kannan Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	12,00,000.00
3.	Kashish Agarwal (CFO, Director, Key Managerial Personnel)	CFO Remuneration	12,00,000.00
4.	Rajvardhan Agencies Pvt. Ltd.	Sale Purchase	14,30,79,420.00 8,93,135.00
5.	Shribarsana Wire And Wire Mesh Private Limited	Rent Purchase Sale	19,92,078.00 13,05,40,642.00 3,00,000.00

RAKAN STEELS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2022

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation and compliance with Ind AS

For all periods upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, “Ind ASs”) with effect from April 1, 2016 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2017 and succeeding years.

The financial statements for the year ended March 31, 2022 (the “Ind AS Financial Statements”) have been prepared in accordance with Ind AS.

b) Basis of measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities, including derivative financial instruments which have been measured at fair value as described below and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

Fair value measurement

Fair value for measurement and /or disclosure purpose in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

c) Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company’s functional currency.

All financial information presented in Rupees has been rounded to the nearest rupee.

RAKAN STEELS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2022

SIGNIFICANT ACCOUNTING POLICIES

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

a) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of discounts, volume rebates, outgoing sales taxes and other indirect taxes excluding excise duty.

Excise duty is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to Company on its own account, revenue includes excise duty. However, 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.

Revenue from sales is recognised when all significant risks and rewards of ownership of the commodity sold are transferred to the customer, which generally coincides with delivery. Revenues from sale of by products are included in revenue.

b) Property, Plant and Equipment

(i) Property, plant and equipment

The Company has applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2015. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met when significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds

and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised. 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.

(ii) Depreciation

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a written down value basis over its expected useful life (determined by the management based on technical estimates), as follows:

The estimated useful lives of assets are as follows:

- Buildings 60 years
- Plant and equipments 15 years
- Furniture and fixtures 8 years
- Vehicles 8 years
- Office equipments 5 years
- Laboratory equipments 5 years
- Electrical Installations and equipments 10 years
- Computer and data processing units 3-10 years
- Individual items of assets costing upto Rs. 5,000 are fully depreciated in the year of acquisition.

When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

c) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite. The Company currently does not have any intangible assets with indefinite useful life. Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

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

h) Retirement Benefits

The company has not provided for any retirement benefits including gratuity.

i) Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

j) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

k) Use of Estimates and Judgments

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the *Thirty-Fifth Annual General Meeting (AGM)* of the Members of *Rakan Steels Limited ("the Company")* will be held on **Friday, September 30, 2022** at **03:00 p.m. IST** at registered office of the company at NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311 to transact the following business:-

ORDINARY BUSINESS:-

Item No. 1- Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements (including consolidated Audited Financial Statements) of the Company for the year ended on March 31, 2022 along with the Reports of the Directors and Auditors thereon and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon laid before this meeting be and are hereby considered and adopted."

Item No. 2- Appointment of Mr. Sandeep Agarwal as a director liable to retire by rotation

To appoint Mr. Sandeep Agarwal (DIN: 02957566), Director who retires by rotation and who being eligible offers himself for re-appointment and in this regard pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, rules framed there under and other applicable provisions, if any, Mr. Sandeep Agarwal (DIN: 02957566) who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Item No. 3- Appointment of Statutory Auditor of the Company

To appoint the Statutory Auditors of the Company 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, 140 and other applicable provisions 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), M/s Vishal Maheshwari & Company, Chartered Accountants (FRN: 007952C) be and are hereby appointed as Statutory Auditors of the Company in place of the existing auditors M/s Rajani Mukesh & Associates., Chartered Accountants (FRN: 004072C) whose term has expired in this annual general meeting, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 40th Annual General Meeting of the Company to be held in the year 2027 on such remuneration as may be fixed by the Board of Directors of the Company based on the recommendation of Audit Committee plus other related expenses.

RESOLVED FURTHER THAT Mr. Kannan Agarwal, Managing Director and/or Ms. Madhu Bansal, Company Secretary of the Company be and is hereby authorized to take all actions and steps expedient or desirable to give effect to this aforesaid resolution”.

Date – 13/08/2022

Place- Kanpur

**By the order of the Board
FOR RAKAN STEELS LIMITED**

Sd/-

Madhu Bansal

(Company Secretary & Compliance Officer)

NOTES:-

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

The Proxy Form should be lodged with the Company at the Registered Office at least 48 hours before the time of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Register of Members and Share Transfer Books will remain closed from **September 23, 2022 to September 30, 2022** (both days inclusive) for the purpose of AGM.
5. Shareholders are requested to promptly notify any changes in their address to the Company's Registrar and Share Transfer Agents, **Skyline Financial Services Private Limited**.
6. Members who have not registered their e-mail id addresses so far are requested to register their e-mail address in case of physical holding with the Company and in case of demat holding with the Depository Participant.
7. Electronic copy of the notice of the 35TH Annual General Meeting of the Company *inter alia* indicating the e-voting procedure along with the attendance slip and proxy form is being sent to all the members whose e-mail address are registered with the Company/Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the notice of the 35TH Annual General Meeting of the Company *inter alia* indicating the e-voting procedure along with the attendance slip and proxy form is being sent in the permitted mode.
8. All documents referred to in the Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11:00 a.m. to 01:00 p.m. up to the date of the 35TH Annual General Meeting of the Company.

9. Members are requested to bring their copy of Annual Report to the Meeting.
10. Members desirous of obtaining any information concerning accounts of the Company are requested to address their questions to the Company Secretary, so as to reach at least 7 days before the date of meeting, to enable the information required to be made available at the Meeting, to the extent possible.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in demat / electronic form, the nomination form may be filed with the respective Depository Participant.
12. Corporate Members are requested to send to the Company, a duly certified copy of the Board resolution/Power of Attorney, authorizing their representatives to attend and vote at the Annual General Meeting.
13. In case a Member receives physical copy the Notice of the 35TH AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting Physical Copy.

(i) Please follow S. No. (i) to S. No. (xii) as mentioned aforesaid, to cast vote.

14. **VOTING THROUGH ELECTRONIC MEANS**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members a facility to exercise their right to vote in the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are attached:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on September 27, 2022 at 09:00 A.M. and ends on September 29, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

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

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.
Details on Step 1 is mentioned below:

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

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to fcsvaibhav@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to support@rakansteels.co.in.



2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) to support@rakansteels.co.in.

Date: August 13, 2022

Place: Kanpur

By the order of the Board

For Rakan Steels Limited

Madhu Bansal

(Company Secretary & Compliance Officer)

(Membership No.: A28386)

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

ADDITIONAL INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS AND APPLICABLE SECRETARIAL STANDARDS

Item - 2

Based on the terms of appointment, office of executive directors and the non-executive & non independent chairman are subject to retirement by rotation. Mr. Sandeep Agarwal, who was appointed on August 8, 2014, whose office is liable to retire at the ensuing AGM, being eligible, seeks re-appointment. Mr. Sandeep Agarwal is an Executive Non-Independent Director of the Company whose office is subject to retirement in the Annual General Meeting of the Company as per Section 152(6) of the Companies Act, 2013. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his re-appointment.

The particulars of the Director are given below:

PROFILE OF MR. SANDEEP AGARWAL

NAME	SANDEEP AGARWAL
DIN	02957566
FATHER'S NAME	SURENDRA MOHAN AGARWAL
DATE OF BIRTH	09/12/1966
AGE	56 YEARS
ADDRESS	704, ANAND PALACE, 10/499 KHALAASI LINE, KANPUR-208002
QUALIFICATION	GRADUATE
DATE OF FIRST APPOINTMENT ON THE BOARD	08/08/2014
EXPERIENCE	15 YEARS OF EXPERIENCE IN THE IRON & STEEL INDUSTRY
DISCLOSURE OF INTER-SE RELATIONSHIPS BETWEEN DIRECTORS AND KEY MANAGERIAL PERSONNEL	PATERNAL UNCLE OF MR. KANNAN AGARWAL
REMUNERATION PROPOSED TO BE PAID	THERE ARE NO CHANGES TO THE REMUNERATION PROPOSED. THE REMUNERATION IS AS APPROVED BY THE SHAREHOLDERS IN RESOLUTION PASSED IN THE LAST AGM HELD ON SEPTEMBER 30, 2021

KEY TERMS AND CONDITIONS OF RE-APPOINTMENT	AS PER THE RESOLUTION OF THE MEMBERS WITH RESPECT TO HIS APPOINTMENT, HIS OFFICE AS DIRECTOR SHALL BE SUBJECT TO RETIREMENT BY ROTATION.
LAST DRAWN REMUNERATION	Rs. 100,000 PER MONTH
MEMBERSHIP/CHAIRMANSHIP OF COMMITTEES OF OTHER BOARDS AS ON 31.03.2022	NIL
NUMBER OF BOARD MEETINGS ATTENDED	THE INFORMATION IS PROVIDED IN THE BOARD MEETINGS SECTION OF BOARD'S REPORT
SHAREHOLDING IN THE COMPANY AS ON 31.03.2022	1688160 SHARES

The Board of Directors recommends Resolution No. 2 for approval by members.

Date: August 13, 2022

Place: Kanpur

By the order of the Board

For Rakan Steels Limited

Madhu Bansal
(Company Secretary & Compliance Officer)
(Membership No.: A28386)



RAKAN STEELS LIMITED

CIN: L27320UP1985PLC007582

R/O: NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311

Corporate Office: Anand Palace, 10/499, Allen Ganj, Kanpur-208002

E Mail: support@rakansteels.co.in

Tel no. +91-9598668666 WEB: www.rakansteels.co.in

ATTENDANCE SLIP

(To be presented at the entrance)

Reg. Folio No:

No. of Shares held:

I certify that I am a member/proxy of the Company.

I hereby record my presence at the Annual General Meeting of the Company to be held at its Registered Office, NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311 on Friday, the 30th day of September, 2022 at 03:00 P.M.

Member's/ Proxy name in BLOCK letters

Signature of Member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.



RAKAN STEELS LIMITED

CIN: L27320UP1985PLC007582

R/O: NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311

Corporate Office: Corporate Office: Anand Palace, 10/499, Allen Ganj, Kanpur-208002

E Mail: support@rakansteels.co.in

Tel no. 9598668666 WEB: www.rakansteels.co.in

FORM NO. MGT-11

PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies

(Management and Administration) Rules, 2014

Name of the Member:

Registered Address:

E-mail Id:

Folio No.:

DP ID- Client ID:

I/We, being the member of _____ Shares of above mentioned Company hereby appoint:-

Name:

Address:

E-mail Id:

Signature:

Or failing him / her

Name:

Address:

E-mail Id:

Signature:

Or failing him / her

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 in the Annual General Meeting of the Company to be held on Friday, September 30, 2022 at 03:00 p.m. at the registered office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional (Refer Note 3 below)	
Ordinary Business:-		For	Against
1.	Adoption of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2022.		
2.	Re-appointment of Mr. Sandeep Agarwal, (DIN:02957566) Director who retires by rotation.		
3.	Appointment of M/s Vishal Maheshwari & Company (Firm Registration No. 007952C) as Statutory Auditors of the Company.		

Signed this day of 2022.

Signature of the Member

Signature of the Proxy Holder(s)

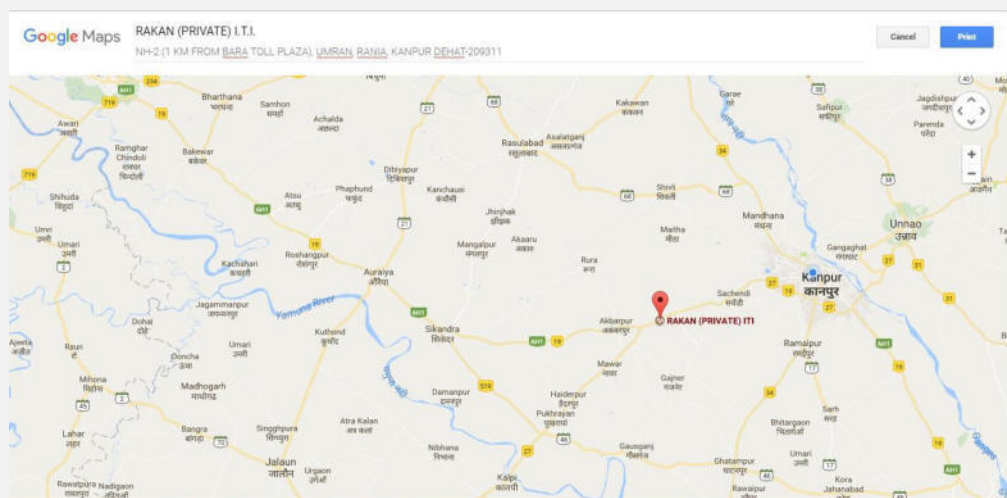
AFFIX
REVENUE
STAMP
NOT LESS
THAN Re. 1

Notes:-

1. This form of proxy in order to be effective should be duly completed and have to be deposited at the Registered Office of the Company, in not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the Annual General Meeting.
3. It is optional to put an 'X' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she think appropriate.
4. Please complete all the details including detail of member(s) in above box before submission.

ROUTE MAP FOR THE VENUE OF THE 35TH ANNUAL GENERAL MEETING OF RAKAN STEELS LIMITED

**ADDRESS: NH-2 (1 KM FROM BARA TOLL PLAZA),
UMRAN, RANIA, KANPUR DEHAT-209311**



**FOR FURTHER INFORMATION
PLEASE VISIT OUR WEBSITE: www.rakansteels.co.in**