



RAKAN STEELS LIMITED

(CIN: L27320UP1985PLC007582)

37TH ANNUAL REPORT 2023-2024

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

E-mail: support@rakansteels.com

Website: www.rakansteels.co.in

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COMPANY'S PROFILE**BOARD OF DIRECTORS**

Mr. Kannan Agarwal
Managing Director

Mrs. Bindu Agarwal
Executive Director

Mr. Rishabh Agarwal
Non- Executive Director

Mr. Manish Chandra
Independent Director

Mr. Mahendra Bahadur Singh
Independent Director

CHIEF FINANCIAL OFFICER

Mrs. Kashish (Grover) Agarwal

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Ms. Vrinda Agarwal
(Appointed on 22.06.2024)

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 Vishal Maheshwari & Company
(Chartered Accountants)

Add: 205-A Anand Tower, 117/K/13

Sarvodaya Nagar, Kanpur-25

SECRETARIAL AUDITORS

M/s V. Agnihotri & Associates

(Company Secretaries)

Add: 401, Kan Chambers,

Civil Lines, Kanpur-208001

INTERNAL AUDITORS

Ms. Vrinda Agarwal
(Company Secretary)

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



MANAGING DIRECTOR'S MESSAGE

Demonstrating resolute strength and unwavering determination

Dear Stakeholders,

I hope this letter finds you well and safe.

It is my privilege to present to you Rakan Steel's Annual Report for F.Y. 2023-24.

The Indian economy maintained a steady momentum within the uneven macro-economic volatility and geo-political factors and have dominated the global business environment during F.Y. 2023-24. Looking ahead, we anticipate that infrastructure build, investments led by new technologies, and demographics of emerging markets to continue to drive global growth projected to reach 3.2% in 2024 (from 2.8% in 2023). Notably, India, as a key player, will offer a stabilizing influence.

India's growth continues to be resilient, underpinned by the Government's capital outlay and buoyant private consumption. Economic conditions such as GDP growth rates and inflation had a mixed impact on the steel industry. India's GDP is estimated to have registered a growth to 8.2% in F.Y. 2023-24 and is expected to continue to be the fastest growing economy for several consecutive years.

India's steel consumption grew to over 13% to 136 million tonnes in F.Y. 2023-24. Given the current stage of development of the Indian economy and the focus on infrastructure development, steel demand growth in India is expected to keep pace with the GDP growth over the next decade. Demand from key steel consuming sectors such as construction, capital goods, railways, and automotive is expected to remain robust. The financial performance in F.Y. 2023-24 was impacted by higher cost structure due to elevated energy and emission related costs and raw material price volatility.

Under the esteemed umbrella of the Rakan Group of Institutions, Rakan (Private) I.T.I stands as a beacon of technological empowerment. Established with a clear vision, its mission is to equip the younger generation with essential skills—skills that transcend mere education and lead to rewarding employment opportunities. Through rigorous



technical and vocational training, Rakan I.T.I. nurtures talent, ensuring that graduates are not only job-ready but also poised to excel in their chosen fields.

But Rakan's impact extends beyond individual careers. It actively contributes to the broader economy. By fostering close collaboration with industry partners, the institution enhances productivity across both formal and non-formal sectors. This synergy between academia and real-world demands creates a dynamic ecosystem—one where innovation thrives and economic growth flourishes.

The management team have propelled the institution to unprecedented heights through their unwavering commitment and tireless dedication.

With pride in our hearts, we celebrate Rakan I.T.I. as a renowned brand—a place where excellence is not just a goal but a way of life.

Numerous distinguished companies and industries have partnered with our institution to recruit exceptionally talented and skilled youth, thus fulfilling our ambition of becoming the foremost I.T.I. establishment in the city.

In Rakan Steel, we responded with agility and sharpened our focus on managing the volatility by raising the bar on managing risks arising from sharp changes in underlying trading conditions especially given our long supply chain. Our company maintained a competitive edge through strategic investments in technology and customer relationships.

Despite the challenging circumstances, Rakan Steels Limited is diligently understanding the situation and devising innovative strategies to enhance growth prospects and counter the decline in revenue. The Company asserts the employees to be its most valuable assets. We adhere to a "People First" philosophy. Our focus is on nurturing our workforce, fostering a conducive environment that inspires our employees to realise their full potential and maintaining a high level of engagement.

We continued to serve diverse customer segments, including construction, automotive, and industrial sectors. Changing customer preferences towards higher-quality and sustainable products influenced our product development and marketing strategies.

Coming to the Company's financial performance in F.Y. 2023-24, the revenue was at Rs.



1700.70 Lakhs compared to Rs. 3167.45 Lakhs in F.Y. 2022-23 and net profit was Rs. 6.89 Lakhs compared to Rs. 7.56 Lakhs in F.Y. 2022-23. The financial performance of the Company in current year was impacted by weaker sales realisations, comparatively elevated raw material costs and high costs of operations.

Furthermore, achieving this would be impossible without the trust and confidence of our esteemed shareholders.

I express my heartfelt gratitude to my colleagues at Rakan Steels Limited, the Board, and investors for standing by us and assisting us in navigating through numerous challenges towards new horizons. Looking forward, I maintain a positive outlook on the opportunities arising from the work we are undertaking for our clients and sincerely hope that we accomplish all the cherished aims and goals we have consistently pursued. I solicit your continued cooperation.

With my warmest regards,

Sd/-

Kannan Agarwal

(Managing Director)



MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

INTRODUCTION

This Management Discussion and Analysis (MD&A) report as required in SEBI (Listing Obligations and Disclosure Requirements), 2015 aims to provide a comprehensive overview and analysis of the operational and financial performance of Rakan Steels Limited for the fiscal year ending March 2024. The objective of this report is to 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 Financial Year 2023-24. The report highlights key strategic initiatives, industry trends, risks, and opportunities that have influenced the company's performance. It also delves into the company's financial position, liquidity, and future prospects, offering valuable insights to stakeholders and investors. 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.

INDUSTRY OVERVIEW

The steel industry has witnessed both challenges and opportunities during the Financial Year 2023-2024. Steel industry has been impacted by high inflation and interest rate environment in addition to growing geo-economic fragmentation. In lieu with global economic uncertainties and fluctuations in raw material prices, the industry experienced slowdown of steel consuming sectors as investment and consumption weakened.

COMPANY PERFORMANCE

Rakan Steels Limited performed well during the financial year 2023-2024. Despite facing challenges, our company managed to maintain revenue levels, our revenue was lower in comparison to that of the previous year, primarily driven by lower sales volume



and unfavourable pricing conditions. We also implemented cost optimization measures, enhancing operational efficiency and maintaining profitability.

OPERATIONAL HIGHLIGHTS

Throughout the financial year, Rakan Steels Limited focused on optimizing its operations. We continued to invest in advanced technologies, upgrading our production facilities, and improving product quality. Additionally, we emphasized sustainability initiatives, promoting energy efficiency, waste reduction, and responsible resource management.

FINANCIAL OVERVIEW

During the financial year 2023-2024, Rakan Steels Limited achieved reasonable financial results. Our gross profit margin reduced due to global economic fluctuations, affecting demand, intensified competition from steel producers led to lower sales volumes. As we move forward, we are adapting policy for close monitoring of market trends and agile decision-making to ensure sustained growth in future. Moreover, our diligent working capital management ensured adequate liquidity to support our operations and growth plans.

RISK MANAGEMENT

Rakan Steels Limited acknowledges the presence of various risks inherent in the industry. These include volatility in raw material prices, fluctuations in foreign exchange rates, and the potential impact of trade policies. To mitigate these risks, we employ comprehensive risk management strategies, including hedging activities, supplier diversification, and monitoring of market trends.

FUTURE OUTLOOK

Looking ahead, Rakan Steels Limited is optimistic about the future. We anticipate sustained demand for steel products due to ongoing infrastructure developments and urbanization trends. We will continue our efforts to enhance operational efficiency,



expand our product portfolio, and explore new markets. Additionally, we remain committed to sustainable practices, aligning our operations with environmental and social responsibilities.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorized and recorded. Information provided to management is reliable and timely. Company ensures adherence to all statutes. The Internal Financial Control systems are adequate considering the present state of business. The company has established Internal Financial Control framework including internal control over financial reporting operating controls and fraud framework. The framework is revised regularly by the management and tested by the internal audit team. Based on the periodical testing, the frame work is strengthened from time to time to ensure adequacy and effectiveness of Internal Financial Controls.

CAPITAL EXPENDITURE HUMAN RESOURCE

As on March 31, 2024, the Company had 21 employees on Roll. The Company strives to maintain a cordial relationship and healthy atmosphere with its employees at all times. Continuous commitment to upgrading skills is an integral part of the human resource development of the Company. The Company provides an equal opportunity to its employees to optimize their potentials and improve their standard of living and promotes diversity in its workforce. The Company lays great emphasis on retention of its human talents. Employees' welfare is a paramount consideration of the Company.

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.



CAUTIONARY STATEMENT

The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the Government policies etc. The Company cannot guarantee the accuracy of assumptions and perceived performance of the Company in future. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements. Therefore, it is cautioned that the actual results may materially differ from those expressed or implied in the report.

CONCLUSION

During the financial year 2023-2024, Rakan Steels Limited has faced considerable challenges that have impacted our performance. Despite our efforts to drive growth and progress, the industry environment has presented obstacles that have tested our resilience. With a strategic focus on operational excellence, financial strength, and sustainable practices, we have experienced lower profit in comparison to that of last year that reflect the current market conditions. Moving forward, we remain steadfast in our strategic focus and are dedicated to implementing measures to overcome these difficulties. We are confident in our ability to adapt and emerge stronger, continuing to strive for long-term value for our stakeholders.



NOTICE OF 37TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY-SEVENTH ANNUAL GENERAL MEETING (AGM) OF MEMBERS OF RAKAN STEELS LIMITED (“THE COMPANY”) WILL BE HELD ON MONDAY, SEPTEMBER 30, 2024 AT 03:00 P.M. IST AT NH-2 (1KM 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 of the Company for the year ended on March 31, 2024 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, 2024, 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. Rishabh Agarwal as a director liable to retire by rotation

To appoint Mr. Rishabh Agarwal (DIN: 02609055), 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. Rishabh Agarwal (DIN: 02609055) who retires by rotation at this meeting be and is

hereby appointed as a Director of the Company, liable to retire by rotation.”



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

Sd/-

Date – 14.08.2024

Vrinda Agarwal

Place- Kanpur

(Company Secretary & Compliance Officer)

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

Name	RISHABH AGARWAL
Date of Birth	08/12/1988
Appointment	w.e.f. 12.10.2022
Address	702, Anand Palace, 10/499-A, Allen Ganj, Kanpur-208002
Designation	Non-Executive Non-Independent Director
DIN	02609055
PAN	AHOPA7789B
EMAIL ID	sbw.agarwal@gmail.com
Expertise	Business
Nationality	Indian
Chairman/Member in the committees of the Boards of Companies in which he is Director (includes only Audit Committee, Stakeholder relationship Committee and	Nil



Nomination and Remuneration Committee)	
Relationship between director's interest, if any	Mr. Rishabh Agarwal is Brother of Mr. Kannan Agarwal.
Brief Profile	Mr. Rishabh Agarwal has a rich experience of many years in the steel industry. Further, vaster experience in this sector and as the company is in steel industry, his experience would certainly prove to be of vital importance. By association of a person like him, would provide an added advantage to the Board of Directors. He would definitely contribute in the decision making and its implementation in a fair and transparent manner.

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

Sd/-

Vrinda Agarwal

(Company Secretary & Compliance Officer)

Date – 14.08.2024

Place- Kanpur

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. The Register of Members and Share Transfer Books will remain closed from September 23, 2024 to September 30, 2024 (both days inclusive) for the purpose of AGM.
4. 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.
5. 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.
6. Electronic copy of the notice of the 37TH 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 37TH 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.
7. All documents referred to in the Notice shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturday between 11:00 a.m. to 01:00 p.m. up to the date of the 37th Annual General Meeting of the Company.



8. Members are requested to bring their copy of Annual Report to the Meeting.
9. 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.
10. 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.
11. 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.
12. A physical copy of the Notice of the 37th AGM is to be sent to members [for Members whose email IDs are not registered with the Company/Depository Participants(s)] or to those from whom a request for Physical copy is received.

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

13. VOTING THROUGH ELECTRONIC MEANS

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 27th September 2024, at 09:00 A.M. and ends on 29th September 2024, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September 2024.

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: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication,



you will be able to see e-Voting services under Value added services. Click on “**Access to e-Voting**” under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select “**Register Online for IDeAS Portal**” or click at

<https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL),

Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.





3. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless



voting experience.

NSDL Mobile App is available on



	<p>voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>
<p>Individual Shareholders holding securities in demat modewith CDSL</p>	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System My easi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to Register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting



	<p>page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

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

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

Login type	Helpdesk details



Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 -4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

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 ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can login at <https://eservices.nsdl.com/> with your existing IDEAS login.* Once you log-in to NSDL e-services after using your login credentials, click on e-Voting and you can proceed to **Step 2** i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your



	user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

- a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
 - I. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - II. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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



- a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - 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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.



General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to fcsvaibhav@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to support@rakansteels.co.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DP



ID + CL ID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to support@rakansteels.co.in . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account inorder to access e-Voting facility.



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

37th ANNUAL GENERAL MEETING – SEPTEMBER 30, 2024

DP ID/Client ID/Folio No.

No. of shares held

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

I, hereby record my presence at the 37th Annual General Meeting held on Monday, September 30, 2024 at 03:00 P.M. at NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311,

Name of the Member

Name of the Proxy



Signature

Note: Please complete this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report for reference at the meeting.



RAKAN STEELS LIMITED

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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(s)	
Registered Address	
E-mail ID	
Folio No/Client ID	
DP ID	

I/We, being the member(s) of the above named Company hold
.....shares, 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 Monday, September 30, 2024 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)	
		For	Against
Ordinary Business:-			
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, 2024.		

2.	To re-appoint Mr. Rishabh Agarwal (DIN: 02609055), as a Director who retires by rotation.		
----	---	--	---

Signed this day of 2024.

AFFIX
REVENUE
STAMP NOT
LESS THAN

Signature of the Member Signature of the Proxy Holder(s)

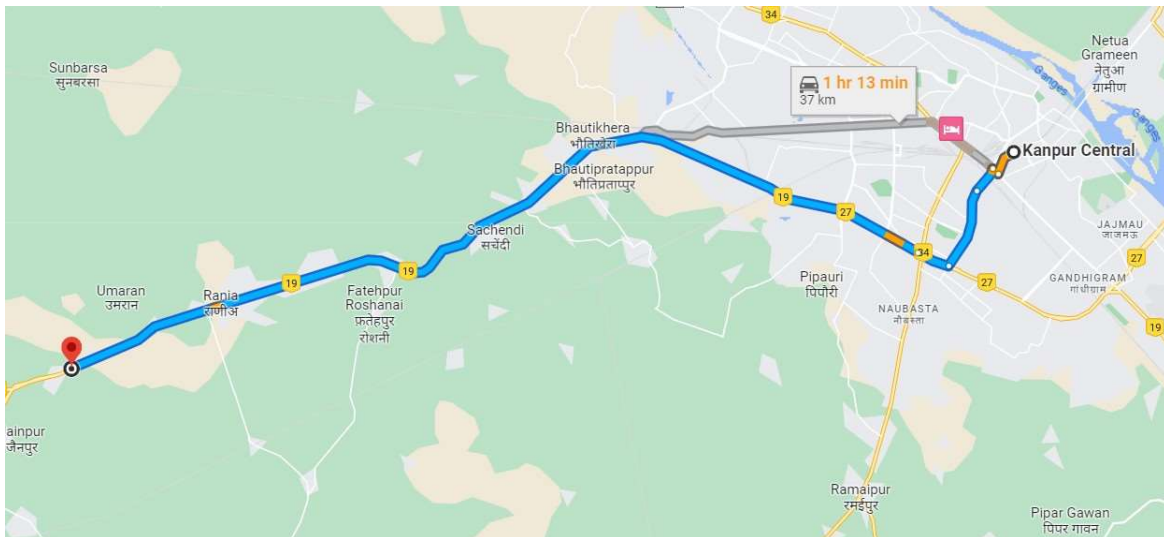
Notes:-

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 37TH 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

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, 2024.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2024 is summarized below: -

(IN LAKHS)

<u>PARTICULARS</u>	<u>2023-24</u>	<u>2022-23</u>
Total Income	1700.70	3167.45
Total expenses	1691.21	3156.26
Profit/loss before prior period items & tax (PBT)	9.50	11.19
Add: Exceptional items	0	0
Profit/loss before tax	9.50	11.19
Less: Provision for taxation (including Deferred tax)	2.61	3.64
Profit after tax (PAT)	6.89	7.56
Proposed Dividend	0	0
EPS (Basic)	0.02	0.02
EPS (Diluted)	0.02	0.02

SUMMARY OF OPERATIONS



During the year, the Income of the Company amounted to Rs. 1700.70 (in '00000) in comparison to the Income of the last year which amounted to Rs. 3167.45 (in '00000). Your Company earned a profit during the year amounted to Rs. 6.89 (in '00000) in comparison to last year's profit which amounted to Rs. 7.56 (in '00000).

LISTING ON STOCK EXCHANGES

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

TRANSFER TO RESERVES:

During the year, an amount equal to Rs. 158.51 (in '00000') was transferred to Reserve and Surplus Account.

STATUTORY AUDITORS

M/s Vishal Maheshwari & Company, Chartered Accountants, Kanpur (ICAI Firm Registration No.: 007952C) were appointed as Statutory auditors of the company for a period of 5 years i.e., from 01.04.2022 to 31.03.2027 on the terms and conditions as may be mutually agreed by the board and the auditors in the previous Annual General Meeting.

M/s Vishal Maheshwari & Company conducted the statutory audit of the Company for the financial year 2023-2024.

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 2023-2024. 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.

However, the secretarial auditor raised an observation concerning a penalty letter received from MSE stating that the company's website hadn't been updated in a systematic order.

The board hereby clarifies that the Company did indeed updated its website but it just didn't follow a neat and tidy filing system.

Thereafter, the board settled the matter by paying the penalty amounting to Rs. 10,000/- and in order to avoid any future disarray, they've updated the website systematically.

INTERNAL AUDITOR

Pursuant to Section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014 the Company had appointed Ms Madhu Bansal, Company Secretary of the Company as the Internal Auditor of the Company for the FY 2023-2024 and accordingly they conducted the Internal Audit.

On the other hand, Ms. Vrinda Agarwal, Company Secretary of the Company was appointed as an Internal Auditor of the Company for the FY 2024-25.



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 & KEY MANAGERIAL PERSONNEL

- Ms. Madhu Bansal resigned from the post of Company Secretary in a board meeting held on 31.05.2024. She had further stated that there are no other material reasons other than those provided in the resignation letter.
- Ms. Vrinda Agarwal was appointed as Company Secretary of the company in a board meeting held on 22.06.2024.

Subject to the provisions of Companies Act, 2013 read with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Board of Directors of the Company have an optimum constitution.

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 from the end of financial year i.e. March 31, 2024 till the date of the Director's Report.

BUSINESS RISK MANAGEMENT

The recent economic crises have clearly demonstrated 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.

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:

Sl. 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 - 6.667 : 1 Mrs. Kashish Agarwal – 6.667 : 1 Mr. Sandeep Agarwal - 6.667 : 1 Mrs. Bindu Agarwal – 5: 1

		Of the median remuneration of 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: Directors:- MD:- N/A CFO:- N/A CEO:- N/A Company Secretary:-N/A
3	The percentage increase /decrease in the median remuneration of employees in the financial year.	No Change
4	The number of permanent employees on the rolls of the Company.	There were 21 employees on the rolls of the Company for majority of the year ended on March 31, 2024.
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. 2022-2023 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 a slight 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.

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. Recognising the pivotal role of our workforce as the driving force behind our diverse business ventures,

the Company endeavoured to cultivate an environment conducive to their growth, development, and overall well-being. 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 endeavour to maintain sincere, healthy and friendly relations with the lower and middle level employees.

BOARD OF DIRECTORS



The Board of Directors ('Board') is at the core of our corporate governance practice and oversees and ensures that the Management serves and protects the long-term interest of all our stakeholders. The Board of the Company is duly constituted. All directors are suitably qualified, experienced and competent. The Company is managed by well-qualified professionals. 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.

Sl. No.	DATE	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
1.	May 30, 2023	5	5
2.	August 14, 2023	5	5
3.	November 10, 2023	5	5
4.	February 13, 2024	5	5
5.	March 14, 2024	5	5

NAME OF DIRECTORS	NO. OF BOARD MEETINGS ATTENDED	ATTENDANCE OF LAST AGM FY 2022-23 (YES/ NO)
KANNAN AGARWAL	5	YES
BINDU AGARWAL	5	YES
RISHABH AGARWAL	5	YES
MAHENDRA BAHADUR SINGH	5	YES

MANISH CHANDRA

5

YES



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.

ii. Composition, Name of Members and Chairperson: -

Name	Designation	No. of Meetings	No. of Meetings
		Held	Attended
Mr. Mahendra Bahadur Singh	Chairman	4	4
Mr. Manish Chandra	Member	4	4
Ms. Bindu Agarwal	Member	4	4

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

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
May 30, 2023	3	3
August 14, 2023	3	3
November 10, 2023	3	3
February 13, 2024	3	3

All the recommendations made by the Audit Committee were accepted by the Board. Four meetings of the Audit Committee were held during the year.



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.

ii. Composition, Name of Members and Chairperson: -

Name	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Manish Chandra	Chairman	1	1
Mr. Mahendra Bahadur Singh	Member	1	1
Mr. Rishabh Agarwal	Member	1	1

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

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
August 09, 2023	3	3

iii. 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.



iv. 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.

Familiarization / Orientation program for Independent Directors

The Independent Directors attend a Familiarization /Orientation Program on being inducted into the Board. Further, various other programmes are conducted for the benefit of Independent Directors to provide periodical updates on regulatory front, industry developments and any other significant matters of importance.

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.

ii. Composition, Name of Members and Chairperson: -

Name	Designation	No. of	No. of Meetings
		Meetings Held	Attended
Mr. Mahendra Bahadur Singh	Chairman	1	1
Mr. Manish Chandra	Member	1	1

Ms. Bindu Agarwal	Member	1	1
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iii. Details of Share Transfer & Investors Grievance Committee Meetings held during the year under review: -

DATE	COMMITTEE STRENGTH	NO. OF MEMBERS PRESENT
August 09, 2023	3	3

The Committee has met one time during the year, the Committee overlook the usual requests received for Dematerialization, transfer/transmission of shares and resolved or answered the complaints of members.

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 2023-24 on March 14, 2024 without the presence of the Executive directors. 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.

SHAREHOLDER'S MEETINGS

(a) Details of last three AGMs held:

Year	Date	Venue	Time
2022-23	30.09.2023	NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311	03:00 P.M.

2021-22	30.09.2022	NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311	03:00 P.M. 
2020-21	30.09.2021	RAKAN ITI, NH-2 (1 km from Bara Toll Plaza), Umran, Rania, Kanpur Dehat-209311	03:00 P.M.

(b) Businesses:

Year	Special Resolution passed for:
2022-23	NA
2021-22	NA
2020-21	1. Re-appointment of Mr. Kannan Agarwal DIN (07318672) as Managing Director of the Company for a period of five years 26 th March, 2020 to 25 th March, 2025.

DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to Section 149(7) of the Companies Act, 2013 the Company has received necessary declaration from each Independent Director, 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 exempted under Regulation 15 (2) (a) which states that:

(2) The compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, [24A,] 25, 26, 27 and clauses (b) to (i) [and (t)] of sub - regulation (2) of regulation 46 and para C , D and E of Schedule V SHALL NOT APPLY, in respect of –

[a] listed entity having paid up equity share capital not exceeding rupees ten crore AND net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year:

As the paid-up share capital of the company did not exceed Rs. 10 crore and net worth did not exceed Rs. 25 Crore, 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. Rishabh Agarwal (DIN: 02609055) is liable to retire by rotation at the ensuing AGM and being eligible, seeks re- appointment.

The detailed profile of Mr. Rishabh 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
- Policy for preservation of documents
- Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading in Securities by Designated Persons
- Vigil Mechanism and Whistle-blower policy
- Policy for selection of Directors and determining Director's independence
- Remuneration policy for Directors, Key Managerial Personnel and other employees
- Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- 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 on an annual basis to the demand for greater board accountability and effectiveness.



For the company, evaluation process inter alia considers attendance of Directors at Board and Committee meetings. 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

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 self-evaluation of directors, 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 Directors expressed their satisfaction with the evaluation process.

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 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 actively endeavours to use the cutting-edge technology and efficient processes to minimize wastage of resources and manpower. The company's undertaking by the name of Rakan ITI is continuously providing knowledge to people at large about the new technology and processes through its well-equipped labs and highly qualified staff.
- (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 using Enterprise Risk Management (ERM) framework to create long term value. 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 Company has a strong legacy of fair, transparent and ethical governance practices. 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 behaviour from an employee in a given situation and the reporting structure. The whole Management Staff was given appropriate training in this regard. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

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 policy 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 behaviour, 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, 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, there has been no one time settlement of Loans taken from Banks and Financial Institution.

RELATED PARTY TRANSACTIONS

During the year under purview, there were related parties transactions 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-1 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.

DISCLOSURE UNDER SEXUAL HARASSMENT POLICY FOR WOMEN

The 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 of Section 135 of the Companies Act, 2013 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 Returns are available for the shareholders at www.rakansteels.co.in.

SECRETARIAL STANDARDS

The Company is in compliance 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 were 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 (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 Financial Officer and Managing Director, places before the Board, at each meeting, a certificate of compliance with the applicable laws. The Company Secretary (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

	Sd/-	Sd/-
	BINDU AGARWAL	KANNAN AGARWAL
PLACE: KANPUR	DIRECTOR	MANAGING DIRECTOR
DATE:14.08.2024	(DIN: 01578595)	(DIN: 07318672)

**ANNEXURE-1****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 arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: **No Such Transactions have taken place during the year under review.**
2. Details of material contracts or arrangement or transactions at arm's length basis:

PARTICULARS	RPT-1	RPT-2
Name(s) of the related party and nature of relationship	Rajvardhan Agencies Pvt. Ltd.	Shribarsana Wire And Wire Mesh Private Limited
Nature of contracts/ arrangements/ transactions	SALE/ PURCHASE	SALE/ PURCHASE
Duration of the contracts / arrangements/ transactions	Not provided	Not provided
Salient terms of the contracts or arrangements or transactions including the value, if any	As decided by and between the parties on arm's length basis	As decided by and between the parties on arm's length basis



Justification for entering into such contracts or arrangements or transactions	Units of companies are co-related as supply chain	Units of companies are co-related as supply chain
Date(s) of approval by the Board:-	30 May, 2023	30 May, 2023
Amount paid as advances, if any:-	N/A	N/A
Date on which the special resolution was passed in general meeting as required under first proviso to section 188:-	N/A	N/A

ANNEXURE- RELATED PARTY DISCLOSURES (IND AS-24)

Sl. No.	Name of Related Party and Nature of Relationship	Nature of Transaction	of Transaction Value
1.	Kannan Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	12,00,000.00
2.	Kashish Agarwal (CFO, Director, Key Managerial Personnel)	CFO Remuneration	12,00,000.00
3.	Bindu Agarwal (Director, Key Managerial Personnel)	Director Remuneration (STEB)	8,25,000.00
4.	Rajvardhan Agencies Pvt. Ltd.	Sale Purchase	4,33,91,431.00 6,70,834.00



5.	Shribarsana Wire And Wire Mesh Private Limited	Purchase Sale	40,95,502.00 2,48,30,246.00
6.	Kannan Agarwal (Director, Key Managerial Personnel)	Unsecured Loan – Opening Balance: Received During the year: Repaid During the year: Closing Balance	7042818.00 3485000.00 220000.00 10307818.00
7.	Vaibhav Agarwal (Relative of Director)	Unsecured Loan – Opening Balance: Received During the year: Repaid During the year: Closing Balance	310000.00 0.00 0.00 310000.00
8.	Aditi Agarwal (Relative of Director)	Unsecured Loan – Opening Balance: Received During the year: Repaid During the year: Closing Balance	0.00 6547.00 0.00 6547.00



DECLARATION REGARDING ADHERENCE TO THE CODE OF CONDUCT

(Pursuant to Regulation 26(3) of the SEBI (LODR) Regulations, 2015)

I, Kannan Agarwal (DIN: 07318672), Managing director of the Company Rakan Steels Limited, hereby declare that all the directors and senior management Personnel of the Company have confirmed compliance with the code of conduct as adopted by the company.

By the Order and on behalf of the Board of Directors

For RAKAN STEELS LIMITED

Sd/-

**KANNAN AGARWAL
(MANAGING DIRECTOR)**

DATE: 14.08.2024

PLACE: KANPUR



CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

In terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company has certified to the Board that:

(a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.

(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

(b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the audit committee that:

(i) there has not been any significant change in internal control over financial reporting during the year;



(ii) there has not been any significant changes in the accounting policies during the year requiring disclosure in the notes to the financial statements;

(iii) We are not aware of any instances during the year of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For RAKAN STEELS LIMITED

Sd/-

Kannan Agarwal
Managing Director
DIN: 07318672

Sd/-

Kashish Agarwal
Chief Financial Officer

Date: 30.05.2024

Place: Kanpur



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to clause 10 of Part C of Schedule V of LODR)

To

The Members

RAKAN STEELS LIMITED

NH-2, (1 KM FROM BARA TOLL PLAZA) UMRAN,

RANIA, KANPUR – 209311

This Certificate is issued in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ('DIN') status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs ('MCA'), or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of Appointment
1.	KANNAN AGARWAL	07318672	04.01.2016
2.	BINDU AGARWAL	01578595	12.10.2022
3.	RISHABH AGARWAL	02609055	12.10.2022



4.	MAHENDRA BAHADUR SINGH	03550534	11.06.2011
5.	MANISH CHANDRA	08985816	12.10.2022

*The date of appointment is as per the MCA portal.

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 30.05.2024

Place: Kanpur

For V. Agnihotri & Associates

Sd/-

(Prop: Vaibhav Agnihotri)

FCS No.: 10363

C P No.: 21596

UDIN: F010363F000499731

Peer Review No.: 2065/2022



ANNEXURE -A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2024

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

To

The Members,

Rakan Steels Limited

(CIN: L27320UP1985PLC007582)

ADD.: 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes' books, forms and returns filed



and other records maintained by “the Company” for the financial year ended March 31, 2024, 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;
- (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, 2018; (**Not applicable**



during the year);

(e) The Securities and Exchange Board of India ((Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable during the year);**

(f) The Securities and Exchange Board of India (Issue and Listing of non-Convertible Securities) Regulations, 2021; **(Not applicable during the year);**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable during the year);**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable during the year);**

(vi) Other major laws applicable specifically to the Company namely:

a) Factories Act, 1948 and allied State Laws.

b) Employee State Insurance Act, 1948

c) Environmental Laws.

etc.

(vii.) Other Acts- As per the information provided by the company its officers and authorize representative there is no such other acts 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 our understanding, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as mentioned below in point 1.

1. The Website of the Company was not updated on some counts as per Regulation 46 of SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015.

Pursuant to which the Company received a warning/ advisory letter from MSEI bearing reference number MSE/LIST/2024/72 for Non-Compliance under. Subsequently, the Company made payment of penalty amounting to Rs. 10,000/- and thereafter updated the website in a systematic manner in accordance with Regulation 46 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. As on the end of the financial year ending 31st March 2024, the website of the Company was duly updated.

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. None of the directors were disqualified during the year. During the year ended 31st March 2024, Mr. Kannan Agarwal, being the director liable to retire by rotation was re-appointed in the Annual General Meeting held on 30.09.2023. Further the appointment Mr. Manish Chandra was regularized in the AGM as the Non-Executive Independent Director of the Company. The Appointment of Mrs. Bindu Agarwal was regularized as the Executive Director of the Company. Further to this, Mr. Rishabh Agarwal was also regularized as the Non-Executive Non Independent Director of the Company.

The board met FIVE (5) times during the year on 30.05.2023; 14.08.2023; 10.11.2023; 13.02.2024; 14.03.2024. Further the Annual General Meeting of the Company took place on 30.09.2023. The share transfer books of the company remain closed from September 23, 2023 to September 30, 2023 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: 14.08.2024

Place: Kanpur

For V. Agnihotri & Associates

Sd/-

(Prop: Vaibhav Agnihotri)

FCS No.: 10363

C P No.: 21596

UDIN: F010363F000966153

Peer Review No.: 2065/2022



“ANNEXURE – A” TO THE SECRETARIAL AUDIT REPORT

To,

The Members,

Rakan Steels Limited

(CIN: L27320UP1985PLC007582)

ADD.: 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 facts 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.

Date: 14.08.2024

Place: Kanpur

For V. Agnihotri & Associates.

Sd/-

(Prop: Vaibhav Agnihotri)

FCS No.: 10363

C P No.: 21596

UDIN: F010363F000966153

Peer Review No: 2065/2022



INDEPENDENT AUDITOR'S REPORT

To,
The Members,
M/s RAKAN STEELS LIMITED,
Kanpur.

Report on the Financial Statements

We have audited the accompanying financial statements of **M/s RAKAN STEELS LIMITED**, ("the Company") as at **31st March 2024** which comprise the Balance Sheet as at 31st March 2024, 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 management of **M/s RAKAN STEELS LIMITED** is responsible for the preparation of the accompanying financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the organization in accordance with the applicable accounting standards and the provisions of the Companies Act, 2013 ("the Act") and relevant rules issued thereunder. This responsibility includes:

1. Design, Implementation, and Maintenance of Internal Controls :

- Management is responsible for designing, implementing, and maintaining adequate internal financial controls to ensure the orderly and efficient conduct of the organization's business, including adherence to the organization's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

2. Compliance with Rule 11(g) – Audit Trail and MSME Disclosures:

- **Audit Trail :**

Management is responsible for ensuring the maintenance of a comprehensive audit trail of all financial transactions, as required under Rule 11(g) of the Income Tax Rules, 1962. This includes the accurate recording of transactions



in a manner that ensures traceability to their source, proper authorization of any modifications or deletions, and the secure storage of the audit trail to prevent unauthorized access or tampering.

Management is also responsible for the periodic review of the audit trail system to ensure its effectiveness and compliance with statutory requirements.

○ **MSME Disclosures :**

Management is responsible for ensuring accurate identification and disclosure of all payments to Micro, Small, and Medium Enterprises (MSMEs) in accordance with the Micro, Small, and Medium Enterprises Development (MSMED) Act, 2006, and as required under Rule 11(g). This includes:

The determination of the status of vendors as MSMEs and the accurate recording and reporting of amounts due to them, including interest payments, in the financial statements.

The disclosure of any delays in payments to MSMEs and the reasons for such delays, as required by law.

3. Preparation of Financial Statements :

- Management is responsible for the preparation of the financial statements in accordance with the accounting principles generally accepted in India (Indian GAAP), including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Management is also responsible for making judgments and estimates that are reasonable and prudent so as to ensure that the financial statements reflect a true and fair view of the state of affairs of the organization at the end of the financial year and the profit or loss, cash flows, and changes in equity for the year ended on that date.

4. Compliance with Laws and Regulations :

- Management is responsible for ensuring compliance with the provisions of the Companies Act, 2013, the Income Tax Act, 1961, and other applicable laws and regulations, including Rule 11(g) and its associated disclosure requirements.



- This includes the responsibility to provide the necessary information and documentation to the auditors and to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

5. Going Concern Assessment :

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

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, 2024, 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 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2024 from being appointed as a director in terms of 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 2024;
- (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.

- vi) Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For VISHAL MAHESHWARI & COMPANY

Chartered Accountants

FRN: 007952C

Sd/-

VISHAL MAHESHWARI

Partner

M. No.: 076685

Place: Kanpur

Dated: 30.05.2024

UDIN: 24076685BKBXAE8292



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 2024, 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 31.03.2024 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 except the following:

Name of the	Nature of the Dues	Amount (Rs. In	Period to which the	Forum where	Remarks, if any
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Statute		Lakhs)	Amount Relates	dispute is pending	
The Income Tax Act, 1961	Income Tax	60.80	A.Y. 2019-20	Income Tax (Appeals), NFAC	

- 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 our examination of the records of the Company, the CSR provisions are not applicable on the Company during the current financial year. Hence, it is not required to transfer any 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) Since the CSR provisions do not apply to the company, no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project was required to be transferred to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For VISHAL MAHESHWARI & COMPANY

Chartered Accountants

FRN: 007952C

Sd/-

VISHAL MAHESHWARI

Partner

M. No.: 076685

Place: Kanpur

Dated: 30.05.2024

UDIN: 24076685BKBXAE8292



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, 2024 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 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VISHAL MAHESHWARI & COMPANY

Chartered Accountants

FRN: 007952C

Sd/-

VISHAL MAHESHWARI

Partner

M. No.: 076685

Place: Kanpur

Dated: 30.05.2024

UDIN: **24076685BKBXAE8292**

RAKAN STEELS LIMITED**BALANCE SHEET****AS AT 31ST MARCH 2024**

PARTICULARS	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2.1	429.75	229.87
Capital Work-in-Progress		-	-
Financial Assets			
Investments	2.2	-	-
Loan	2.3	-	-
Other Financial Assets	2.4	-	-
Deferred Tax Assets (Net)		0.80	1.35
Other Non-Current Assets	2.5	8.74	4.74
Current Assets			
Inventories	2.6	616.06	702.36
Financial Assets			
Investments	2.7	-	-
Trade Receivables	2.8	294.03	326.20
Cash and Cash Equivalents	2.9	17.15	24.91
Bank Balances other than Cash and Cash equivalents	2.10	-	-
Loans	2.11	-	-
Other Financial Assets	2.12	-	-
Current Tax Assets (Net)	2.13	8.88	7.51
Other Current Assets	2.14	35.36	12.70
TOTAL ASSETS		1,410.76	1,309.64
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.15	324.00	324.00
Other Equity	2.16	165.40	158.51
		489.40	482.51
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.17	588.29	600.03
Other Financial Liabilities	2.18	-	-
		588.29	600.03
Provisions	2.19	-	-
Deferred Tax Liabilities (Net)	2.20	-	-
Other Non-Current Liabilities	2.21	100.25	-



Current Liabilities			
Financial Liabilities			
Borrowings	2.22	36.74	-
Trade Payables-Total Outstanding Dues of	2.23	63.70	29.57
- Micro and Small Enterprises		-	6.80
- Creditors other than Micro and Small Enterprises		63.70	22.77
Other Financial Liabilities	2.24	1.48	30.00
		101.92	59.57
Other Current Liabilities	2.25	128.90	165.03
Provisions	2.26	2.00	2.50
Current Tax Liabilities (Net)		-	-
TOTAL EQUITY AND LIABILITIES		1,410.76	1,309.64

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 Vishal Maheshwari & Company
Chartered Accountants

(Vishal Maheshwari)
Partner
M.No: 076685
FRNo.007952C

Kannan Agarwal Bindu Agarwal
(Managing Director) (Director)
DIN: 07318672 DIN: 01578595

Place : Kanpur
Date : 30.05.2024

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



RAKAN STEELS LIMITED
STATEMENT OF PROFIT & LOSS ACCOUNT
 FOR THE YEAR ENDED 31ST MARCH 2024

PARTICULARS	Note No.	Year Ended	Year Ended
		31st March, 2024	31st March, 2023
		Current Year	Previous Year
INCOME			
Revenue from Operations	3.1	1,693.75	3,164.32
Other Income	3.2	6.95	3.13
Total Income (I)		1,700.70	3,167.45
EXPENSES			
Cost of Materials Consumed	3.3	1,143.21	1,890.33
Purchase of Stock-in-Trade	3.4	235.16	1,009.23
Changes in Inventories of Finished Goods, Work-in-Progress	3.5	44.98	43.28
Employees Benefits Expenses	3.6	43.52	19.99
Finance Costs	3.7	58.32	56.30
Depreciation and Amortisation Expenses	2.1	7.75	8.01
Other Expenses	3.8	158.27	129.11
Total Expenses (II)		1,691.21	3,156.26
Profit Before Exceptional Item and Tax		9.50	11.19
Exceptional Item		-	-
Profit Before Tax		9.50	11.19
Tax Expenses			
Current Tax		2.00	2.50
Tax Relating To Prior Period		0.05	0.86
Deferred Tax		0.56	0.28
Total Tax Expense		2.61	3.64
Profit for the Year (III)		6.89	7.56
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)		6.89	7.56
Earnings per Equity Share (Face Value Rs. 1 each)			
Basic (Rs.)		0.02	0.02
Diluted (Rs.)		0.02	0.02

Significant Accounting Policies

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached
 For Vishal Maheshwari & Company
 Chartered Accountants

For RAKAN STEELS LIMITED
 CIN - L27320UP1985PLC007582

(Vishal Maheshwari)
 Partner
 M.No: 076685
 FRNo.007952C

Kannan Agarwal (Managing Director)
 Bindu Agarwal (Director)
 DIN: 07318672 DIN:01578595

Place : Kanpur
 Date : 30.05.2024

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



STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2024

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2024

Balance as at 1st April, 2023	Changes in Equity Share Capital	Balance as at 31st March, 2024
324.00	-	324.00

B. OTHER EQUITY

	Reserves & Surplus				Other Comprehensive Income				Total
	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Currency Translation Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Comprehensive Income	
As at 31st March 2024									
Opening Balance as at 1st April, 2023	140.00	8.00	15.89	-5.38	-	-	-	-	158.51
Profit for the year	-	-	-	6.89	-	-	-	-	6.89
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, 2024	140.00	8.00	15.89	1.51	-	-	-	-	165.40

	Reserves & Surplus				Other Comprehensive Income				Total
	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Currency Translation Reserve	Effective Portion of Hedge Cash Flow	Other Items of Other Comprehensive Income	
As at 31st March 2023									
Opening Balance as at 1st April, 2022	140.00	8.00	15.89	-12.94	-	-	-	-	150.96
Profit for the year	-	-	-	7.56	-	-	-	-	7.56
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, 2023	140.00	8.00	15.89	-5.38	-	-	-	-	158.51

The accompanying Notes are an integral part of the Financial Statements

In terms of our report on even date attached

For Vishal Maheshwari & Company
Chartered Accountants

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

(Vishal Maheshwari)
Partner
M.No: 076685
FRNo.007952C

Kannan Agarwal
(Managing Director)
DIN: 07318672

Bindu Agarwal
(Director)
DIN: 01578595

Place : Kanpur
Date : 30.05.2024

Kashish Grover
(Chief Financial Officer)

Madhu Bansal
(Company Secretary)



RAKAN STEELS LIMITED

Cash Flow Statement For The Year Ended 31.03.2024

Particulars	Year Ended		Year Ended	
	31.03.2024		31.03.2023	
A Cash Flow from Operating Activities				
Profit for the Year before tax & extraordinary items		9.50		11.19
Adjustment for:				
Depreciation	7.75		8.01	
Interest & Financial Charges	58.32	66.07	56.30	64.32
Operating Profit before Working Capital changes		75.56		75.51
Adjustments for:				
(Increase)/Decrease in Loans and Advances	0.00		0.00	
(Increase)/Decrease in Trade Receivables	32.16		4.23	
(Increase)/Decrease in Inventory	86.31		30.48	
(Increase)/Decrease in Current Assets	-24.02		5.28	
Increase/(Decrease) in current Liabilities	6.22		28.30	
Less:-Direct Taxes Paid (Net)	-2.05	98.61	-3.36	64.93
Net Cash from Operating Activities		174.18		140.44
B Cash Flow from Investing Activities				
Purchase of fixed asset	207.63	-207.63	95.30	-95.30
Purchase of investment	0.00	0.00	0.00	0.00
(Increase)/Decrease in Non Current Assets	-4.00	-4.00	0.00	0.00
Increase/(Decrease) in Non Current Liabilities	99.75	99.75	0.15	0.15
Net Cash from Investing Activities		-111.88		-95.15
C Cash Flow from Financing Activities				
(Payment)/ Receipt of Long Term Borrowing	-11.74		3.89	
(Payment)/ Receipt of other Long Term Liabilities	0.00		0.00	
Interest and Financial Charges	-58.32		-56.30	
Dividends paid	0.00	-70.06	0.00	-52.41
Net Cash from Financing Activities		-70.06		-52.41
NET CASH FLOWS DURING THE YEAR(A+B+C)		-7.76		-7.12
Cash and Cash Equivalents(Opening Balance)		24.91		32.03
Cash and Cash Equivalents(Closing Balance)		17.15		24.91

For Vishal Maheshwari & Company
Chartered Accountants

For RAKAN STEELS LIMITED
CIN - L27320UP1985PLC007582

(Vishal Maheshwari)
Partner
M.No: 076685
FRNo.007952C

Kannan Agarwal
(Managing Director)
DIN: 07318672

Bindu Agarwal
(Director)
DIN:01578595

Place : Kanpur
Date : 30.05.2024

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, 2023			March, 2024	April, 2023	Year		March, 2024	March, 2024	April, 2023	
Tangible Assets *											
Land	185.00	185.00	-	370.00	-	-	-	-	370.00	185.00	
Laboratory Equipment	15.23	-	-	15.23	14.47	0.00	-	14.47	0.76	0.76	
Computer Peripherals	8.58	5.16	-	13.74	7.97	1.19	-	9.16	4.58	0.61	
Buildings	34.08	-	-	34.08	9.54	1.20	-	10.73	23.35	24.55	
Plant & Machinery	33.67	6.16	-	39.82	24.57	1.87	-	26.44	13.39	9.09	
Office Equipments	11.91	0.07	-	11.98	8.25	1.26	-	9.51	2.47	3.67	
Furniture & Fittings	2.37	9.25	-	11.62	2.05	0.60	-	2.65	8.97	0.32	
Vehicles	33.30	-	-	33.30	27.52	1.61	-	29.13	4.17	5.78	
Electrical Equipments	0.57	2.00	-	2.57	0.49	0.02	-	0.51	2.06	0.08	
Total Tangible Assets	324.72	207.63	-	532.36	94.86	7.75	-	102.61	429.75	229.87	
Previous Year	229.43	95.30	-	324.72	86.84	10.46	-	97.30	227.43	142.58	

* 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, 2024
		As at 31st March, 2023
	Investments at Cost	
	Investments in Equity instruments of Subsidiaries	
	Unquoted	
	Total Investments carried at cost	0.00
	Investments at fair value through OCI (fully paid)	
	Quoted Shares	
	Unquoted Investments in Equity Shares	0.00
	Quoted Investments in Mutual Funds	0.00
	Investments carried at fair value through Other Comprehensive Income	0.00
	Total Investments	0.00
	Current	0.00
	Non-Current	0.00
		0.00
		0.00
2.3	NON-CURRENT FINANCIAL ASSETS - LOANS	
		As at 31st March, 2024
		As at 31st March, 2023
	(Unsecured, Considered Good unless otherwise stated)	
	Loans to Related Parties	0.00
	Other Loans	0.00
	Loans to Employees	0.00
		0.00
		0.00
2.4	NON-CURRENT FINANCIAL ASSETS - OTHERS	
		As at 31st March, 2024
		As at 31st March, 2023
	Fixed Deposits with Banks with maturity more than 12 Months	0.00
		0.00
		0.00



2.5 OTHER NON-CURRENT ASSETS	As at 31st March, 2024	As at 31st March, 2023
Capital Advances for Purchase of Property, Plant and Equipment	0.00	0.00
Security Deposits	8.74	4.74
Other Advances (Deposit with Government Authorities, etc.)	0.00	0.00
	8.74	4.74
Security Deposits :		
Secured, considered good	0.00	0.00
Unsecured , considered good	8.74	47.37
Doubtful less allowances for bad and doubtful debts	0.00	0.00

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, 2024	As at 31st March, 2023
Raw Material	37.70	79.03
Finished Goods	575.36	620.34
Stock in Process	0.00	0.00
Packing Materials, Stores & Chemicals	3.00	3.00
	616.06	702.36
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 2023 Rs. Nil). Inventory values shown above are net of the provisions.	

2.7 CURRENT FINANCIAL ASSETS - INVESTMENTS	As at 31st March, 2024	As at 31st March, 2023
Investments at fair value through FVTPL (fully paid)		
Quoted Shares	0.00	0.00
Quoted Investments in Mutual Funds	0.00	0.00
Investments carried at fair value through Other Comprehensive Income	0.00	0.00
Total Investments	0.00	0.00
2.8 TRADE RECEIVABLES	As at 31st March, 2024	As at 31st March, 2023
a) Trade Receivables considered good – Secured.	0.00	0.00
b) Trade Receivables considered good – Unsecured.	294.03	326.20
c) Trade Receivables that have an increase in Credit Risk that is significant.	0.00	0.00
d) Trade Receivables – Credit Impaired.	0.00	0.00
	294.03	326.20
Less: Impairment Loss	0.00	0.00
	294.03	326.20



Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years
(i) Undisputed Trade receivables – considered good	87.70	20.84	128.77	24.56	32.16
(ii) Undisputed Trade Receivables – considered doubtful	0	0	0	0	0
(iii) Disputed Trade Receivables considered good	0	0	0	0	0
(iv) Disputed Trade Receivables considered doubtful	0	0	0	0	0
(v) Disputed Trade Receivables – which have significant increase in credit risk	0	0	0	0	0
(vi) Disputed Trade Receivables – credit impaired	0	0	0	0	0

2.9 CASH AND CASH EQUIVALENTS		As at 31st March, 2024	As at 31st March, 2023
Cash in hand		16.80	19.49
Balances with Banks			
In Current Account		0.35	2.18
In Deposit Account - Original Maturity of 3 Months or Less		0.00	3.25
		17.15	24.91
2.10 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS		As at 31st March, 2024	As at 31st March, 2023
Deposits with Bank in Dividend Account		0.00	0.00
Bank Deposits (with maturity more than 3 months but less than 12 months)		0.00	0.00
		0.00	0.00
# Whether Lodged as security with Any Authority			

2.11 CURRENT FINANCIAL ASSETS - LOANS		As at 31st March, 2024	As at 31st March, 2023
a) Loans Receivables considered good – Secured.		0.00	0.00
b) Loans Receivables considered good – Unsecured.		0.00	0.00
c) Loans Receivables which have a significant increase in credit risk.		0.00	0.00
d) Loans Receivables – Credit Impaired.		0.00	0.00
		0.00	0.00
2.12 OTHERS FINANCIAL ASSETS		As at 31st March, 2024	As at 31st March, 2023
Interest Accured on Fixed Deposit		0.00	0.00
Cash Flow Hedges		0.00	0.00
		0.00	0.00

2.13 CURRENT TAX ASSETS (NET)		As at 31st March, 2024	As at 31st March, 2023
Advance Income Tax (Net of Provision)		0.00	0.18
GST (Net of Provision)		8.88	7.33
		8.88	7.51
2.14 OTHER CURRENT ASSETS		As at 31st March, 2024	As at 31st March, 2023
Unsecured, Considered Good			
Advances to Suppliers		28.19	10.22
Prepaid Expenses Pre Paid Insurance		5.73	1.28
Other Advances		1.44	1.19
		35.36	12.70



2.15 EQUITY SHARE CAPITAL

	As at 31st March, 2024	As at 31st March, 2023
2.151 Authorised		
5,50,00,000 Equity Shares of Re. 1/- each (Previous Year)	550.00	550.00
5,50,00,000 Equity Shares of Re. 1/- each)		
	550.00	550.00
	As at 31st March, 2024	As at 31st March, 2023
2.152 Issued, Subscribed and Fully Paid-up		
3,24,00,000 Equity Shares of Re. 1/- each (Previous Year)	324.00	324.00
3,24,00,000 Equity Shares of Re. 1/- each)		
	324.00	324.00

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	324.00	324.00
Add: Issued/sub-divided during the year	0.00	0.00
Outstanding as at the end of the year	324.00	324.00

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 Share:	% Holding	No. of Shares	% Holding
Rajvardhan Agencies Private Limited	2683000	8.28%	2683000	8.28%
Surendra Mohan Agarwal	2431000	7.50%	2431000	7.50%

Name of Promoter	As at 31st March 2024		As at 31st March 2023	
	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, 2024	As at 31st March, 2023
Securities Premium Reserve	140.00	140.00
General Reserve	8.00	8.00
Capital Reserve	15.89	15.89
Retained Earnings	1.51	-5.38
Other Comprehensive Income	0.00	0.00
	165.40	158.51

The Description of the nature and purpose of each reserve within equity is as follows:

- 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.
- 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.
- 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, 2024	As at 31st March, 2023
Secured		
Rupee Term Loan from Banks	475.52	518.97
Foreign Currency Term Loan from Banks	-	-
Un-Secured		
Loans & Advances from Related Parties/ Shareholders & Directors	112.77	81.06
	588.29	600.03

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.	36.74	475.52	7.00	487.51
HDFC CAR LOAN (Secured against hypothecation of car)	1.48	0.00	3.00	1.46
	38.22	475.52	10.00	488.97

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	513.74	0.00	0.00	0.00
Foreign Currency Term Loan from Banks	0.00	0.00	0.00	0.00
Current Year	0.00	0.00	0.00	0.00
Previous Year	0.00	0.00	0.00	0.00

2.18 NON-CURRENT OTHER FINANCIAL LIABILITIES

	As at 31st March, 2024	As at 31st March, 2023
Security and other Deposits	0.00	0.00
	0.00	0.00

2.19 NON-CURRENT PROVISIONS

	As at 31st March, 2024	As at 31st March, 2023
Employees Benefits - Gratuity etc	0.00	0.00
	0.00	0.00



2.20 DEFERRED TAX LIABILITIES (NET)

	As at 31st March, 2023	MAT Credit Utilized	Charge for the C. Year Profit or Loss	Other Comprehensive Income	As at 31st March, 2024
Deferred Tax Liabilities:	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	-1.35	0.00	0.56	0.00	-0.80
Fair Valuation of Equity Instruments and Bonds mea	0.00	0.00	0.00	0.00	0.00
Fair Valuation of Mutual Funds measured at FVTPL	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
	-1.35	0.00	0.56	0.00	-0.80
Deferred Tax Assets:					
Accrued Expenses Allowable on Payment Basis	0.00	0.00	0.00	0.00	0.00
Expenses Allowable in Instalments in Income Tax	0.00	0.00	0.00	0.00	0.00
Provision for Contingencies Allowable on Payment Basis	0.00	0.00	0.00	0.00	0.00
MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
Fair Valuation of Preference Shares measured at FVTPL	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liabilities (Net)	-1.35	0.00	0.56	0.00	-0.80

NOT IN BOOKS

	As at 31st March, 2022	MAT Credit Utilized	Charge for the C. Year Profit or Loss	Other Comprehensive Income	As at 31st March, 2023
Deferred Tax Liabilities:	0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation	-1.63	0.00	0.28	0.00	-1.35
Fair Valuation of Equity Instruments and Bonds measured at FVTOCI	0.00	0.00	0.00	0.00	0.00
Fair Valuation of Mutual Funds measured at FVTPL	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
	-1.63	0.00	0.28	0.00	-1.35
Deferred Tax Assets:					
Accrued Expenses Allowable on Payment Basis	0.00	0.00	0.00	0.00	0.00
Expenses Allowable in Instalments in Income Tax	0.00	0.00	0.00	0.00	0.00
Provision for Contingencies Allowable on Payment Basis	0.00	0.00	0.00	0.00	0.00
MAT Credit Entitlement	0.00	0.00	0.00	0.00	0.00
Fair Valuation of Preference Shares measured at FVTPL	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00
Deferred Tax Liabilities (Net)	-1.63	0.00	0.28	0.00	-1.35

2.21 OTHER NON-CURRENT LIABILITIES

	As at 31st March, 2024	As at 31st March, 2023
Other Creditors	100.25	0.00
Deferred Revenue from Government Grant	0.00	0.00
Other Liabilities	0.00	0.00
	100.25	0.00

2.22 CURRENT FINANCIAL LIABILITIES - BORROWINGS

	As at 31st March, 2024	As at 31st March, 2023
Loans Repayable on Demand from Banks		
Secured:		
Working Capital Borrowings	36.74	0.00
	36.74	0.00

2.22.1 Working Capital Borrowings are secured by hypothecation of stocks and book debts of the Company.



2.23 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

	As at 31st March, 2024	As at 31st March, 2023
Due to Micro and Small Enterprises	0.00	6.80
Due to Related Parties	0.00	0.00
Others	63.70	22.77
	63.70	29.57

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

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years		
(i) MSME	-	-	-	-	-	
(ii) Others	63.70	-	-	-	63.70	
(iii) Disputed dues-MSME	-	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	-	

2.24 CURRENT - OTHER FINANCIAL LIABILITIES

	As at 31st March, 2024	As at 31st March, 2023
Current Maturities of Long-Term Debts (Note 2.16.1)	0.00	0.00
Interest Accrued but not Due on Borrowings	0.00	0.00
Security and Other Deposits (Trade Deposits)	0.00	0.00
Dividend Payable	0.00	0.00
Liability for Capital Goods	0.00	0.00
Other Payables (including Retention money etc.)	0.00	0.00
Term Loan Installments repayable	1.48	30.00
	1.48	30.00

2.25 OTHER CURRENT LIABILITIES

	As at 31st March, 2024	As at 31st March, 2023
Statutory Liabilities	0.00	0.00
Advance from Customers	103.84	126.64
Deferred Revenue from Government Grant	0.00	0.00
Other Payables (including Employee Benefits Payable, Provision etc.)	25.06	38.40
	128.90	165.03

2.26 CURRENT PROVISIONS

	As at 31st March, 2024	As at 31st March, 2023
For Employee Benefits (Leave Encashment and Pension)	0.00	0.00
Provision for Taxation	2.00	2.50
	2.00	2.50

2.26.1 Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Asset"

	As at 31st March, 2024	As at 31st March, 2023
Changes in provisions required by Ind AS-37	0.00	0.00
	0.00	0.00



3.1 SALE OF PRODUCT & SERVICES (GROSS)

	Current Year	Previous Year
Sale of Product	1,486.29	3,038.02
Stock converted into Capital asset	185.00	92.50
Sale of Service:		
Educational Fee Receipt	22.47	33.80
	1,693.75	3,164.32

3.2 OTHER INCOME

	Current Year	Previous Year
Interest Received	0.00	0.01
Interest on Income Tax Refund	0.00	0.00
Rate Difference	0.04	0.00
Dividend	0.00	0.00
Profit of Sale of Investments	0.00	0.00
Profit of Sale of Assets	0.00	0.00
Profit of Sale of Investments (Measured at FVTPL)	0.00	0.00
Other Income	6.91	3.12
	6.95	3.13

3.3 COST OF MATERIAL CONSUMED

	Current Year	Previous Year
Raw-Material Consumed		
Opening Stock	79.03	67.24
Add: Purchase & Incidental Expenses	1,089.30	1,886.61
Less: Closing Stock	37.70	79.03
Raw-Material Consumed	1,130.64	1,874.82
Packing Material, Stores & Chemicals consumed		
Opening Stock	3.00	2.00
Add: Purchase & Incidental Expenses	12.57	16.51
Less: Closing Stock	3.00	3.00
Packing Material, Stores & Chemicals consumed	12.57	15.51
	1,143.21	1,890.33

3.4 PURCHASE OF STOCK-IN-TRADE

	Current Year	Previous Year
Purchase of Stock	235.16	1,009.23
	235.16	1,009.23

3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCESS AND STOCK-IN-TRADE

	Current Year	Previous Year
Opening Stock		
Finished Goods	620.34	663.61
Stock-in-Process	0.00	0.00
	620.34	663.61
Less: Closing Stock		
Finished Goods	575.36	620.34
Stock-in-Process	0.00	0.00
	575.36	620.34
(Increase)/Decrease in Stock	44.98	43.28



3.6 EMPLOYEES BENEFIT EXPENSES

	Current Year	Previous Year
Salaries, Wages and Bonus etc	42.27	19.33
Contribution to Provident and other funds	0.72	0.50
Staff Welfare Expenses	0.54	0.16
	43.52	19.99

3.7 FINANCE COST

	Current Year	Previous Year
Interest Expense	57.57	55.50
Other Finance Cost	0.74	0.80
	58.32	56.30

3.8 OTHER EXPENSES

	Current Year	Previous Year
Manufacturing Expenses		
Power and Fuel	23.29	19.85
Freight and Cartage	29.83	30.95
Factory expenses	1.67	3.70
Administrative, Selling & Distribution Expenses		
Administrative Expenses	0.00	0.00
Advertisement & Publicity	6.83	1.72
Auditor Fees	0.50	0.30
Business Promotion	4.00	0.59
Director's/ CFO Remuneration	32.25	34.00
Insurance	1.01	0.69
Legal Expenses	0.00	0.00
Miscellaneous Expenses	3.27	1.06
Office Expenses	3.74	1.72
Postage, Telegram & telephone	0.43	0.59
Printing & Stationery	1.30	0.53
Professional & Consultancy Charges	7.99	24.69
Rate & Taxes & Fees	24.25	2.75
Repairs & Maintenance (Building)	6.63	0.21
Repairs & Maintenance (Machine)	4.32	0.95
Travelling & Conveyance Expenses	3.05	2.93
Vehicle Running & Maintenance	3.92	1.89
Selling Expenses	0.00	0.00
Rent	0.00	0.00
Prior Period Expenditure	0.00	0.00
Loss of Property, Plant & Machinery De-recognised	0.00	0.00
CSR Expenses	0.00	0.00
	158.27	129.11

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	0.00	0.00
Re-measurement of Defined Benefit Plan		
Less: Income Tax	0.00	0.00
Items that will be reclassified to Profit and Loss		
Exchange differences on translating foreign operations	0.00	0.00
Less: Income Tax	0.00	0.00
	0.00	0.00



Annex. 2.5 LIST OF SECURITY DEPOSITS AS AT 31.3.2024	
Particulars	Amount
Electricity Security Deposit	300000
Security A/c (Sail)	78667
Security A/c (Sail Emd)	800
Security A/c (U.P.S.E.B.)	85700
Security A/c (U.P.S.I.D.C.)	1000
Security A/c (U.P Skill Development Society)	400000
Security (B.P.C.L)	7500
Grand Total	873667

Annex. 2.8 LIST OF SUNDRY DEBTORS AS AT 31.3.2024	
Particulars	Amount
Arti Iron Store, Kanpur	183784.50
Jeet Ispat. Kanpur	2586423.78
Rajiv Enterprises	1169705.53
Rajvardhan Agencies Pvt. Ltd.	11461783.03
Aashna Biomass Briquettes	44730.00
Advanced Weapons and Equipment India Limited	813750.00
Ankit Iron & Hardware Stores	90860.00
Arti Iron Store	96420.00
BHAGWAN TRADERS	2500.00
Bihar Steel	903.00
Consultant	11231.00
Cost Control Officer	25406.00
Durga Hardware Stores	68400.00
INDIA STEEL SALES	500.00
ITI DEBTORS	4240047.86
JWMPV	21420.00
Jyoti Sales	17882.00
Keshav Wire Store	161385.00
K P Steels	19000.00
Maa Sharda Rolling Shutter	7000.00
Mohan Prasad Om Shanker	95865.00
M/s Abhishek Hardware	5000.00
M/S Surya Steels	8040.00
Muskan Traders	201.00
NATIONAL SKILL DEVELOPMENT CORPORATION	265363.60
Prakash Iron Store	508.00
Pranjal Steels	4438.00
Pushpanjali Traders	42920.00
Raj Trading Company	109442.00
Rakan ITI DEBTORS	5728479.94



Rakan ITI List of Advances Given to Customers	22143.00
Rakesh Khad Bhandar	34969.81
Rasmi Kant Gupta	5750.00
Relaible Sales	352176.41
R G BUILDWELL ENGINEERS LIMITED	11380.00
R L STEELS	1900.00
Shakra Traders	668950.00
Shikhar Enterprises	9693.00
Shree Vishnu Ispat	337900.00
Shubh Kesharwani	36362.00
Sobhit Pal	2030.00
Sr DMM DIV SBC	4944.00
Surendra Tiwari	31302.00
Vardhman Ispat Udyog	500.00
Vinod Kumar	57827.00
Other Receivable	542259
Grand Total	29403475

Annex. 2.9 Cash & Cash Equivalentents	
Particulars	Amount
HDFC Bank	35406
Cash in hand	1679985
Grand Total	1715391

Annex. 2.14 LIST OF ADVANCE TO SUPPLIERS GIVEN AS AT 31.3.2024	
Particulars	Amount
Aasma Aerospace Pvt. Ltd.	25333
Ayush Industries	536
BALA JI WIRES PVT LTD	209300
CLICK INFORMATICS	14396
Dhanda Digital Marketers - Haryana	2660
DIRECTOR, RAJKIYA VYAVSAYIK PRASHIKSHAN PARISHAD	61650
ESL Steel Limited	22439
Lucent Steels Private Limited	470082
Om Swami Waires	10000
Raksha Industries	2070
Sankat Mochan Trading Company	900000
Shyam Metalics and Energy Ltd	1028288
Sunil Chain Link	68875
VEDA MODE PRIVATE LIMITED	3000
Prepaid Expenses	547975
Prepaid Insurance	24940
Post office	10080
Tds Receivable	46423

UPSIDC Kanpur	17133
Vishakhapattanam Plant Kanpur	52484
TCS on Purchase	17993
Grand Total	3535657





Ratio Analysis						
Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio	CURRENT ASSETS	CURRENT LIABILITIES				
	971.48	232.82	4.17	4.73	-11.74%	
	1,073.69	227.10				
Debt-equity Ratio	TOTAL LIABILITIES	EQUITY CAPITAL				
	921.36	489.40	1.88	1.71	9.82%	
	827.13	482.51				
Debt service coverage ratio	NET OPERATING INCOME	CURRENT DEBT OBLIGATION				
	65.26	24.00	2.72	2.83	-3.94%	
	67.94	24.00				
Return on equity	NET INCOME	EQUITY SHAREHOLDER FUNDS				
	6.89	489.40	0.01	0.02	-10.13%	
	7.56	482.51				
Inventory turnover ratio	COST OF GOODS SOLD	AV. INVENTORY				
	1,478.14	659.21	2.24	4.18	-46.32%	substantially due to fall in turnover
	2,997.33	717.61				
Trade receivables turnover ratio	CREDIT SALE	AVG. TRADE RECEIVABLES				
	1,693.75	310.12	5.46	9.64	-43.33%	Decrease in Credit Sales
	3,164.32	328.31				
Trade Payables turnover ratio	CREDIT PURCHASE	AVG. TRADE PAYABLES				
	1,337.04	46.63	28.67	50.51	-43.23%	Decrease in Credit Purchases
	2,912.35	57.66				
Net Capital turnover ratio	REVENUE	CAPITAL EMPLOYED (TA-CL)				
	1,693.75	1,177.94	1.44	2.92	-50.81%	Substantial decrease in revenue
	3,164.32	1,082.54				
Net profit ratio	NET INCOME	REVENUE				
	6.89	1,693.75	0.004	0.002	70.30%	Substantial decrease in direct expenses as compared to decrease in revenue
	7.56	3,164.32				
Return on capital employed	EBIT	CAPITAL EMPLOYED (TA-CL)				
	67.07	1,177.94	0.06	0.06	-7.58%	
	66.70	1,082.54				
Return on Investment	NET INCOME	AV. EQUITY				
	6.89	324.00	0.02	0.02	-8.85%	
	7.56	324.00				

RAKAN STEELS LIMITED

Notes to the Ind AS financial statements for the year ended March 31, 2024

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, 2024 (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, 2024

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.

e) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balance, as defined above.

f) Inventories

Inventories are valued at the lower of cost and net realisable value except scrap which are valued at net realisable value. Costs incurred in bringing the inventory to its present location and conditions are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on FIFO basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete inventories are identified and written down to net realisable value. Slow moving and defective inventories are identified and provided to net realisable value.

Inventory includes non-current item in form of purchase of land kept in and accounted as Stock-In-Trade.

g) Taxation

**(i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the 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.

(iii) Minimum Alternate Tax (MAT)

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.

(iv) Direct Tax Contingencies

The Company have ongoing disputes with income tax authorities in India. The disputes relate to tax treatment of certain expenses claimed as deduction, computation or eligibility of tax incentives and allowances and characterisation of incomes received. Contingent liability in respect of tax demands received from direct tax authorities in India is Rs. 60.80 Lacs as at March 31, 2024. These demand orders are being contested by the Company based on the management evaluation and advise of tax consultants. The Company periodically receives notices and inquiries from income tax authorities related to the business operations in the jurisdictions it operates in. The Company has evaluated these notices and inquiries and has concluded that any consequent income tax claims or demands by the income tax authorities will not succeed on ultimate resolution.

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.