



STEEL CITY SECURITIES LIMITED

28th Annual Report | 2021-22



E-GOVERNANCE

CAPITAL
MARKET

E-GOVERNANCE

CAPITAL
MARKET

E-GOVERNANCE

CAPITAL
MARKET



STEEL CITY
SECURITIES LIMITED

E-GOVERNANCE

CAPITAL
MARKET

E-GOVERNANCE

CAPITAL
MARKET

CAPITAL
MARKET

CAPITAL
MARKET





STEEL CITY SECURITIES LIMITED

(CIN : L67120AP1995PLC019521)

VISAKHAPATNAM

28th ANNUAL GENERAL MEETING

to be held on
30th day of July, 2022 at 11:45 A.M.

Registered Office :

49-52-5/4, Shantipuram, Sankaramatam Road,
Visakhapatnam - 530 016.

Phone : 0891- 2563581, Fax: 0891- 2563585

E-mail : investorrelations@steelcitynettrade.com,
ramu.n@steelcitynettrade.com

Website : www.steelcitynettrade.com



TABLE OF CONTENTS

Sl. No.	PARTICULARS	Page No.
1.	Company Information	5
2.	Composition of Board Committees	6
3.	Message from the Chairman	9
4.	Performance at a glance	11
5.	Business Overview	12
6.	Notice	17
7.	Director's Report	31
8.	Annexures to Director's Report	
	Annexure 1 - Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures	43
	Annexure 2 - Particulars of contracts/arrangements made with related parties	45
	Annexure 3 – Report on Corporate Governance	46
	Annexure A – Certificate on Non Disqualification of Directors	66
	Annexure B – CEO and CFO Certification	67
	Annexure C - Declaration for compliance with code of Conduct	68
	Annexure 4 – Corporate Governance Compliance Certificate	69
	Annexure 5 - Conservation of Energy, Technology Absorption and Foreign exchange earnings and outgo	70
	Annexure 6 – Annual Report on Corporate Social Responsibility	71
	Annexure 7 - Statement of Particulars of Employees	76
	Annexure 8 - Secretarial Audit Report	77
	Annexure 9 – Management Discussion and Analysis	81
9.	Standalone Financials	
	I. Independent Auditor's Report	85
	II. Annexure A to the Independent Auditor's Report	90
	III. Annexure B to the Independent Auditor's Report	94
	IV. Balance Sheet	96
	V. Profit & Loss Account	97
	VI. Statement of Changes in Equity	98
	VII. Cash Flow Statement	99
	VIII. Overview and Notes on Financial Statements	100
10.	Consolidated Financials	
	I. Independent Auditor's Report	122
	II. Annexure A to the Independent Auditor's Report	129
	III. Consolidated Balance Sheet	131
	IV. Consolidated Profit & Loss Account	132
	V. Consolidated Statement of Changes in Equity	133
	VI. Consolidated Cash Flow Statement	134
	VII. Overview and Consolidated Notes on Financial Statement	135



COMPANY INFORMATION

BOARD OF DIRECTORS

1. K. Satyanarayana
Executive Chairman
2. Satish Kumar Arya
Managing Director
3. T. V. Srikanth
Director (IT)
4. G.V. Vandana
Non – Executive Director
5. G. Satya Rama Prasad
Independent Director
6. B. Krishna Rao
Independent Director
7. G. Vijaya Kumar
Independent Director
8. E. Sridhar
Independent Director

CHIEF FINANCIAL OFFICER

N. Ramu

COMPANY SECRETARY & COMPLIANCE OFFICER

M. Srividya

STATUTORY AUDITORS

M/S. SARC & ASSOCIATES
Chartered Accountants

SECRETARIAL AUDITORS

M/S. ASN ASSOCIATES
Company Secretaries

REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited

BANKERS TO THE COMPANY

HDFC Bank Limited
Karnataka Bank Limited
Karur Vysya Bank Limited



COMPOSITION OF BOARD COMMITTEES

Members of Audit Committee

Sl. No.	Name of the Member	Designation
1.	G. Satya Rama Prasad	Chairman, Non- Executive Independent Director
2.	G.V. Vandana	Member, Non- Executive Director
3.	B. Krishna Rao	Member, Non- Executive Independent Director
4.	E. Sridhar	Member, Non-Executive Independent Director

Members of Nomination and Remuneration Committee

Sl. No.	Name of the Member	Designation
1.	G. Satya Rama Prasad	Chairman, Non- Executive Independent Director
2.	B. Krishna Rao	Member, Non- Executive Independent Director
3.	G. Vijaya Kumar	Member, Non- Executive Independent Director

Members of Stakeholder Relationship Committee

Sl. No.	Name of the Member	Designation
1.	B. Krishna Rao	Chairman, Non- Executive Independent Director
2.	Satish Kumar Arya	Member, Managing Director
3.	G. Vijaya Kumar	Member, Non- Executive Independent Director
4.	T. V. Srikanth	Member, Director (IT)

Members of Corporate Social Responsibility (CSR) Committee

Sl. No.	Name of the Member	Designation
1.	K. Satyanarayana	Chairman, Executive Chairman
2.	Satish Kumar Arya	Member, Managing Director
3.	G. Satya Rama Prasad	Member, Non- Executive Independent Director

Members of Internal Complaints Committee

Sl. No.	Name of the Member	Designation
1.	G. V. Vandana	Chairman, Non- Executive Director
2.	Satish Kumar Arya	Member, Managing Director
3.	M. Srividya	Member, Company Secretary

Our Team



K. Satyanarayana
Executive Chairman



Satish Kumar Arya
Managing Director



T. V. Srikanth
Director (IT)



G. V. Vandana
Non – Executive Director

Our Team



G. Satya Rama Prasad
Independent Director



G. Vijaya Kumar
Independent Director



E. Sridhar
Independent Director



B. Krishna Rao
Independent Director



N. Ramu
Chief Financial Officer



M. Srividya
Company Secretary & Compliance Officer



Message From the Chairman

Dear Shareholders,

It gives immense pleasure to present before you the 28th Annual Report of our Company. We all feel proud about relentless journey of more than two-and-half decades and leading as a most trusted Financial and E- Governance Services Company in the Financial Markets PAN India.

Dealing with COVID-19 also tested the resilience of our business model and our capabilities. Even during pandemic period our business operations kept rolling and the Company has not compromised in the quality of services being rendered to our clients. Our management team has managed quite well the challenging times and made necessary arrangements for business continuity. We saw record online market participation during the most volatile period. A special word of thanks, to our staff and employees, who have admirably and calmly risen to the challenges thrown up by COVID-19 pandemic since last two years.

The onset of COVID-19 pandemic unleashed unprecedented challenges for major global economies during the year. The momentary reaction of the stock markets to this initial period of lock down, quickly turned euphoric with strong and decisive measures implemented by the Government to revive the economy from the initial shock.

FY 2021-22 has been momentous for the stock broking industry, in particular, with many milestones being achieved across various parameters. Whilst over the years, India witnessed a considerable change in its investor profile, with the share of individual investors on NSE steadily rising, FY 2021-22 witnessed the highest increase. Our company made significant progress in expanding our network via e-governance to 28000 + centers as of today.

Further, we are glad to inform you that the Company has done very well during the F. Y. 2021-22, its revenue has grown by 20.49 % during the year with a growth of 30.68 % in the profit after tax during the Financial Year 2021-22. We proudly inform you that continuing the tradition of wealth maximization of Shareholders, your Company has declared an Interim Dividend @20% and proposed a final Dividend @10% making a total of 30% of Dividend during the F.Y. 2021-22.

On brighter side, one of the significant initiatives is that the interior work of the new Corporate Office is in progress which will be operational in the year 2022. This will ease out the co-ordination between departments and serve the customer at a faster pace. The operational cost will also come down which will reflect in higher profitability. We have migrated to market leading back office software Tech Excel, which will enhance our user experience. Advances in technology, increasing the smart phone penetration and increasing digitization at systematic level are expected to lead more retail investors to adopt and consume financial services through Online. We have also launched new version of Mobile app (Steel City SMART).

We strongly believe significant growth of business transactions through our mobile app will grow day by day. We have completely digitalized the on-boarding process (Quick KYC) whereby clients can open SCSL Demat & Trading accounts instantly and will also help to onboard new client's quickly and hassle free.



Steel City Securities Limited

We have plans to broaden and deepen geographical presence and expand distribution networks in the Northern and Western market of India and plan to set up over 35000+ E- Governance centers by FY 23. We are focusing on augmenting the product line under the E- Governance segment with emphasis on NPS promotion and also leveraging the TIN centers for distribution of third party products i.e., Loans, Mutual funds, insurance schemes, credit cards, IPO's etc.

We would like to thank all our esteemed Shareholders, Bankers, Auditors, Business Partners, Customers and Employees for their continuous and dedicated support in realizing our vision and goals. I would like to extend my gratitude to our Board of Directors for their continuous able guidance and support. We will not leave any stone untouched, which will help in improving the growth of our Company. We are totally committed to put our hard and best efforts to maximize the wealth of our stakeholders.

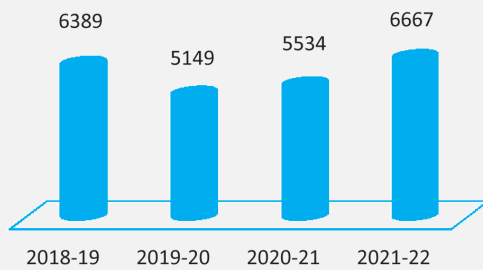
Best Wishes to all.

K. Satyanarayana
Executive Chairman

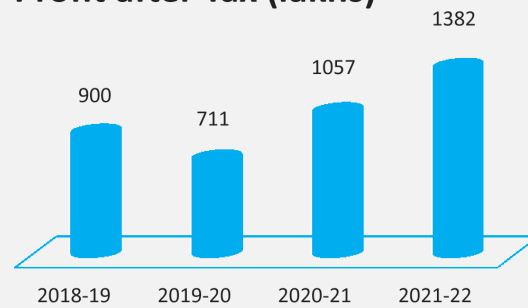


PERFORMANCE AT A GLANCE

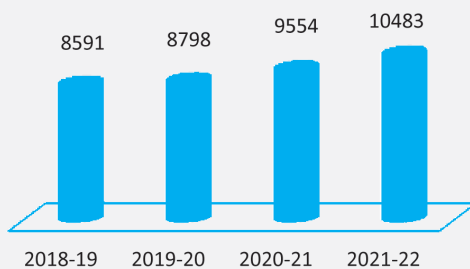
Revenues (lakhs)



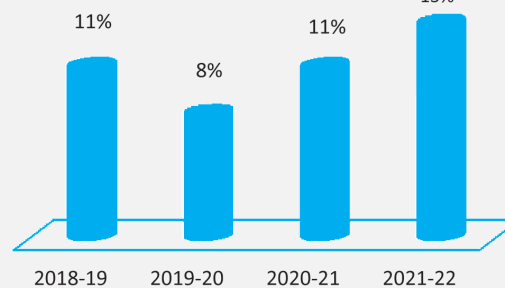
Profit after Tax (lakhs)



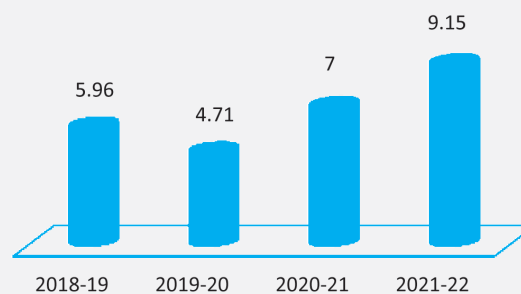
Net worth (lakhs)



Return on Equity



Earning Per Share

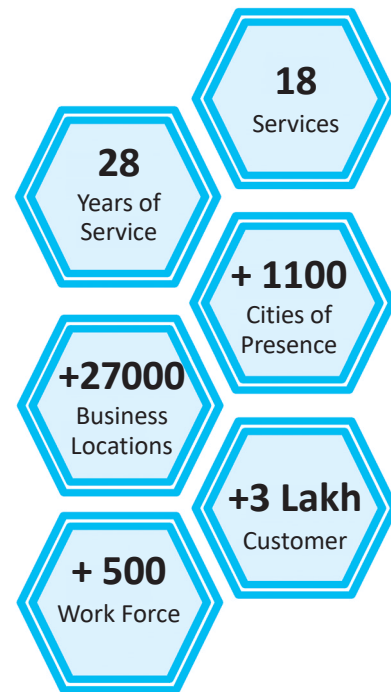




BUSINESS OVERVIEW

Steel City Securities Limited ('Steel City' / 'Our Company') is incorporated in 1995 which is a leading retail stock broker in Southern India with leadership position in e-governance services. Head quartered in Visakhapatnam, today 'Steel City' provides whole range of financial services to its clients through a well-established network of branches and offices. We are pioneers in introducing the "Franchisee model" to extend business potential in urban and rural areas PAN India. The brand is epitome of "confidence as strong as steel" further strengthened by its ISO 9001:2015 certification.

The company is having business operations in 36 states & union territories across India. It has a diversified business portfolio covering Capital Market services, e-Governance services, Investment advisory in the form of distribution of Mutual Funds, Bonds, credit cards, IPOs & Corporate Fixed Deposits, Currency Trading, Commodity Broking, Insurance Distribution & NBFC services.



Our Services by

The business verticals & Services offered of the company are enumerated as below :

Steel City Securities Limited

- Online & Mobile App based Capital & Commodity market trading
- Online Currency Trading and Mutual Funds
- NSDL & CDSL Depository Services
- Investment Advisory on Mutual Funds, Bonds, FDR's

Steel City Commodities Private Limited

- IRDA registered Life, Non- Life and Health Insurance Distributor
- Credit Card Issuance for HDFC
- Digital Signatures



Steel City Securities Limited

- TIN facilitation center (FC) and PAN Centre
- POP for NPS
- NSDL-licensed National Insurance Repository (NIR)
- NSDL-licensed ASP (Application Service Provider) for Digital Signatures
- GST* Suvidha Kendra

Steel City Financial Services Private Limited (NBFC)

- Housing Loans
- Project Loan financing



Capital Market Services :

“Steel City” is the member & provides trading platform of NSE, BSE, MCX, NCDEX & MSEI for stock, derivatives, commodity and currency segment.

It has an online E-Broking portal along with a Mobile application named “Steel City Smart” through which the Company provides online trading platform to its clients supported by investment advice and equity research. ‘Steel City’ is a Depository Participant of NSDL & CDSL since 2002.

Insurance/Credit cards :

Steel City Commodities Private Limited provides distribution of life, non-life and health insurance products of all the leading insurance Companies. It is going to start the business of issuing digital signatures.

It holds approval from IRDA to conduct the said insurance business. It is an authorized distributor of insurance policies of ICICI prudential, SBI life, Religare Health, Future Generali and United India Insurance Company Limited

It also partnered with HDFC bank one of the leading credit card issuer PAN India to issue credit cards.

Non-Banking Financial Services :

‘Steel City’ through one of its Group Company viz; Steel City Financial Services Private Limited (a non-systematically important non deposit accepting Non-Banking Finance Company) provides NBFC services like project loan financing and housing loans to its clients.

E-Governance :

E-Governance products served by ‘Steel City’ include PAN, TAN, E-TDS, AIR & Form 24G

‘Steel City’ has been appointed as a TIN-FC (Tax Information Network – Facilitation Centre) of NSDL e-Governance.

‘Steel City’ has been recognized as Point of Presence (POP) by PFRDA (Pension Fund Regulatory & Development Authority, Government of India).

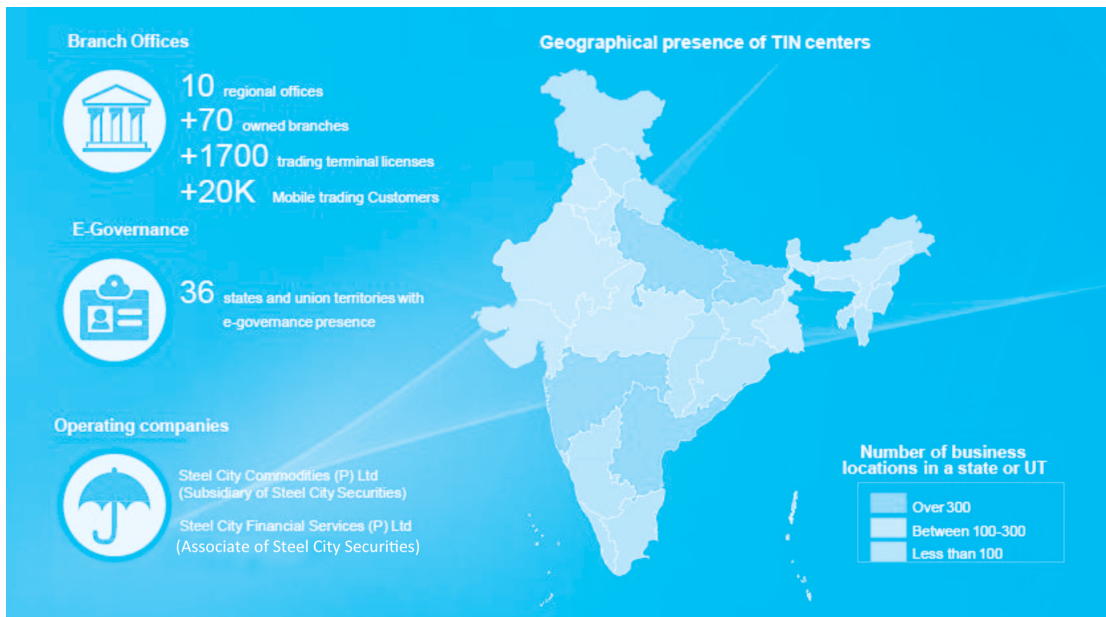
‘Steel City’ is an approved entity for National Insurance Repository (NIR) wherein insurance policies are held in electronic form in a single E-Insurance Account.

‘Steel City’ is one of the competent broking outfits who has been recognized and authorized to provide above e-governance services through Protean e-Gov. Ltd. for Government of India.

With implementation of GST the service providers in e-governance business would stand to immensely benefit. All centers of Steel City also service customers for GST.

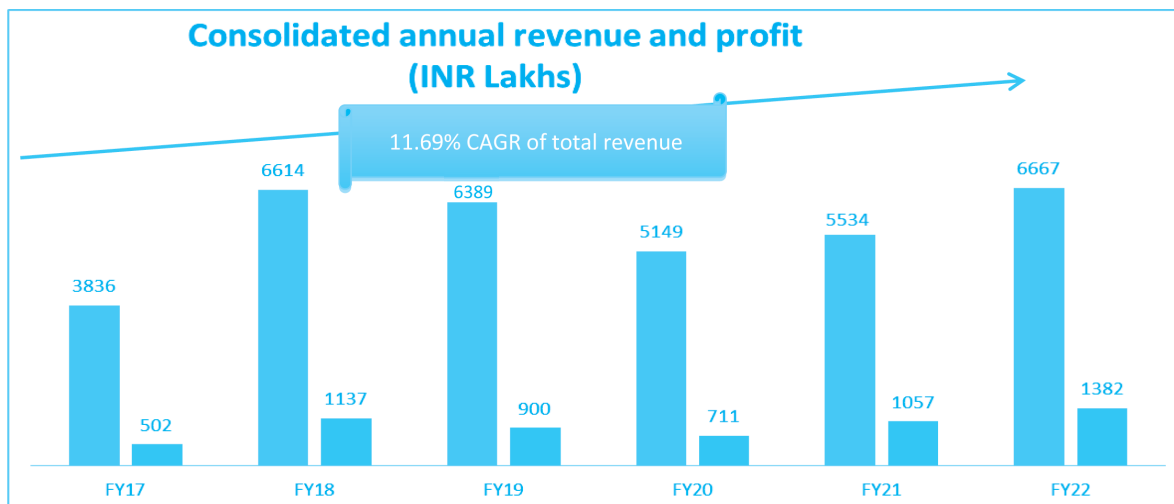


Our Presence



Financial Highlights

FY22 witnessed a year-on-year growth in e-governance centers. During FY22 the revenue stood at Rs. 6667.37 lakhs while net profit after tax stood at Rs. 1381.88 lakhs. Continuing the tradition of shareholder’s wealth maximization, the company paid a dividend (30% in FY2021-22).



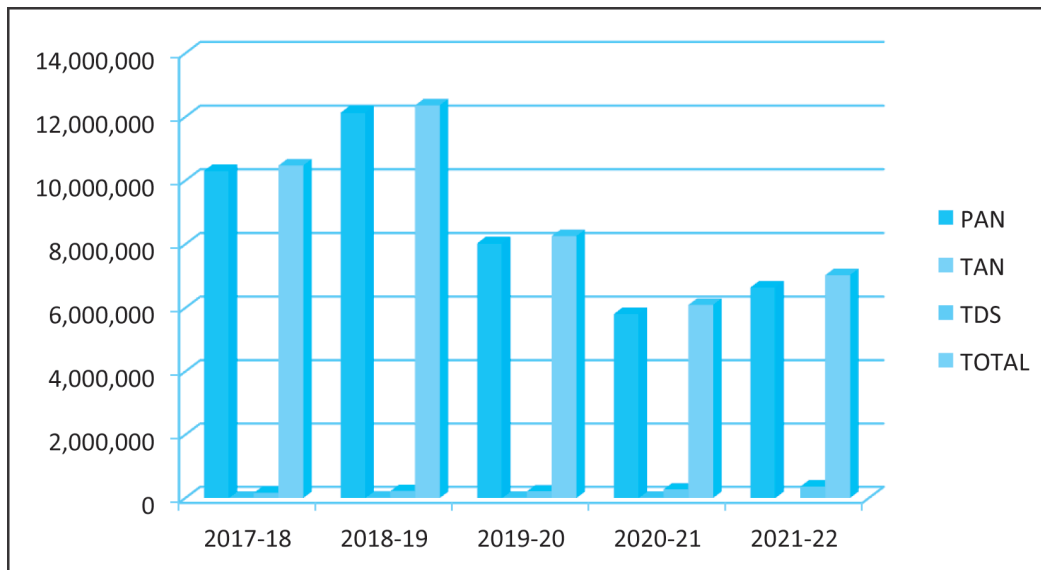


TIN-FC YEARLY PERFORMANCE (Statistical data)

	PAN	TAN	TDS	TOTAL
2017-18	1,03,05,511	6,948	1,62,220	1,04,74,679
2018-19	1,21,34,177	13,082	2,18,594	1,23,65,853
2019-20	80,33,961	8,551	2,13,998	82,56,510
2020-21	58,11,276	11,689	2,74,556	60,97,521
2021-22	66,46,234	16,387	3,65,632	70,28,253
TOTAL	4,29,31,159	56,657	12,35,000	4,42,22,816

(Numbers till 31st March 2022)

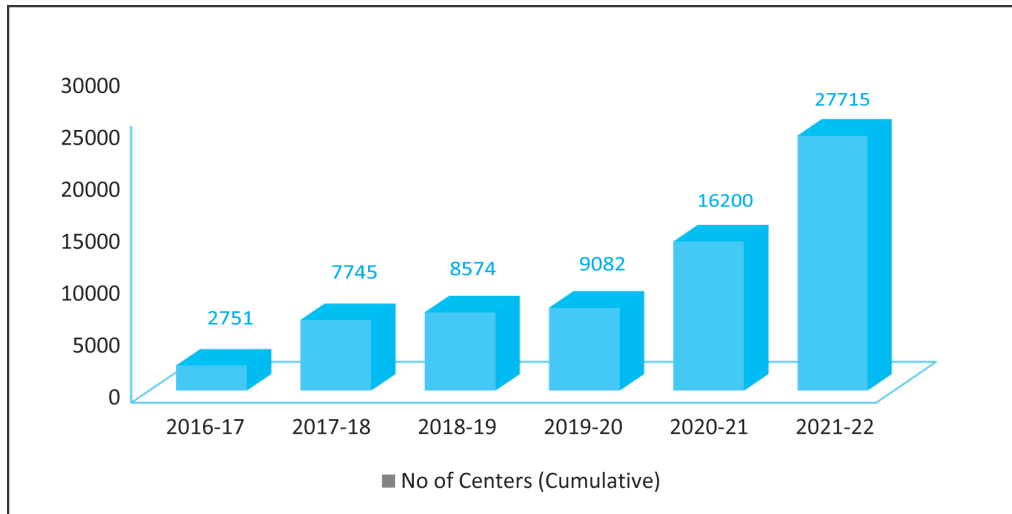
TIN-FC YEARLY PERFORMANCE (Graph)



TIN-FC BRANCH EXPANSION NETWORK (Statistical Data)

Period	No of Centers (Cumulative)
2016-17	2751
2017-18	7745
2018-19	8574
2019-20	9082
2020-21	16200
2021-22	27715

(Numbers till 31st March 2022)



Infrastructure

Company has registered office at Visakhapatnam covering area of about 15000 sq.ft. We have started building the corporate office at Visakhapatnam which will be expected to complete by the end of third quarter of 2022. We also have 3 owned offices covering an area of about 4500 sq.ft. located at Secunderabad, Tirupathi and Ongole. Besides this 67 other branch offices are operated through leased premises admeasuring about 55,000 Sq.ft. area. All the other centers of authorized set ups covers an average area of about 400-1000 sq.ft. per centre.

Technology is an integral part of the financial industry. We at steel city securities limited strives to provide best in class service by providing the top notch technology Platforms for our customers. 'Steel City' has countrywide connectivity via broadband based trading terminals installed to access and trade in all segment like Capital market, Futures & Options & Commodity and Currency Trading.

The company is always providng better and hassel free services to its clients. To provide more better facilities to our esteemed clients, the company has upgraded its back office software from the existing in house back office software. "Steel Pack" to "Tech Excel". Further the company is the process of upgrading the other softwares used by the company to meet the requirements of its modern clients from time to time. The company uses its in house software "Steel Pack" to provide e-Governance Services to its clients.

In order to catch up with disruptive technology trend, our company developed mobile trading app for online trading. The company ensures prompt enhancement of its core application like trading platform, trading back office etc. We are fully dedicated to enhance our technology from time to time as per the need of hour. We always take utmost care to serve our clients as best as possible without any scope of any kind of hassel.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of Steel City Securities Limited will be held on Saturday, the 30th day of July, 2022 at 11:45 A.M through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following businesses. The venue of the meeting shall deemed to be the Registered Office of the Company at 49-52-5/4, Shanthipuram, Visakhapatnam -530016.

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements(both Standalone & Consolidated Financial Statements) consisting of Statement of Profit & Loss and Cash Flow Statement for the Financial Year ended 31st March, 2022 and the Balance Sheet of the Company as on that date, Schedules and Notes thereon together with the Reports of the Board of Directors and Auditors thereon.

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

“**RESOLVED THAT** the Audited Financial Statements (both Standalone & Consolidated Financial Statements) of the Company for the Financial year ended 31st March 2022, consisting of Balance Sheet as at 31st March, 2022, Statement of Profit and Loss and Cash flow Statement for the year ended 31st March, 2022 together with the notes to Financial Statements and the Reports of the Board of Directors and Auditors including Annexure thereof laid before this meeting , be and are hereby considered and adopted.”

2. To confirm the 1st and 2nd Interim Dividend on Equity Shares and to declare Final Dividend for the Financial Year 2021-22.

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

“**RESOLVED THAT** 1st Interim Dividend @ 10% i.e., Rs. 1 /- (Rupee One Only) per Equity Share of the Company declared by the Board of Directors of the Company at its meeting held on 3rd day of November, 2021, be and is hereby confirmed. “

“**RESOLVED THAT** 2nd Interim Dividend @ 10% i.e., Rs. 1 /- (Rupee One Only) per Equity Share of the Company declared by the Board of Directors of the Company at its meeting held on 10th February, 2022 be and is hereby confirmed. “

“**FURTHER RESOLVED THAT** a Final Dividend @ 10 % i.e., Re. 1.00/- (Rupee One Only) per Equity Share of the Company for the Financial Year 2021-22, as recommended by the Board of Directors be and is hereby declared and approved.”

3. To re-appoint Sri. G.V. Vandana (DIN: 07548398) as Director of the Company whose office is liable to retire by rotation and being eligible, offers herself for re-appointment.

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



“RESOLVED that Sri. G.V. Vandana (DIN: 07548398), who retires as Director pursuant to the provisions of Section 152 of the Companies Act, 2013, be and is hereby re-appointed as a Director of the Company.”

4. APPOINTMENT OF AUDITORS :

To appoint M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam (FRN: 03089S) as Statutory Auditors of the Company for a period of One (1) Year for the Financial year 2022-23.

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

“RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Rao & Kumar, Chartered Accountants (Registration No: 03089S), be and is hereby appointed as the Statutory Auditors of the Company for a period of One (1) year commencing from the conclusion of this Annual General Meeting till the conclusion of Twenty Ninth Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the reimbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.”

SPECIAL BUSINESS :

5. Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 120 Crores :

To consider and if thought fit to pass, with or without modification, the following Resolution as a **Special Resolution** :

“**RESOLVED THAT** in supersession of the ordinary resolution passed by the Members of the Company at the General Meeting held on 8th day of August, 2015 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof) and any rules and regulations made thereunder, the consent of the members of the Company be and is hereby accorded by way of special resolution, to the Board of Directors of the Company (“Board”), to borrow from time to time for the purpose of Company’s business and in accordance with Memorandum and Articles of Association of the Company, as it may think fit, any sum or sums of money on such terms and conditions as the Board may deem fit, by way of loans or otherwise from banks or any other persons, up to an aggregate amount of Rupees 120 Crores (One Hundred and Twenty Crores) notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign and execute all such deeds, documents and instruments as may be necessary, expedient and incidental thereto to give effect to this resolution.”



6. Creation of security on the properties of the Company, both present and future, in favour of lenders :

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

“RESOLVED THAT in supersession of the ordinary resolution passed by the Members of the Company at the General Meeting held on 8th day of August, 2015 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors of the Company for mortgaging and /or charging and/or hypothecating all or any of the movable or immovable properties wherever situated, both present and future, the whole or substantially whole of the undertaking or the undertakings of the Company for the purpose of securing any loan obtained or proposed to be obtained by the Company from the concerned lender/ financial institution/s or person(s) for an amount not exceeding Rs. 120 crore (Rupees One hundred and Twenty Crore) together with interest, costs, charges, expenses and any other money payable under the respective arrangement to be entered into/to be entered by the company to the concern lenders.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior / pari passu / subservient with / to the mortgages and /or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents as may be necessary, expedient and incidental thereto to give effect to this resolution.”

Regd. Office :
49-52-5/4
Shantipuram
Visakhapatnam - 530 016
Andhra Pradesh

Place : Visakhapatnam
Date : 25.06.2022

**By Order of the Board of Directors
For Steel City Securities Limited**

**(K. Satyanarayana)
Executive Chairman
(DIN : 00045387)**



NOTES :

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its circular dated April 8, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021 and such related circulars issued from time to time (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide circular dated May 12, 2020 and January 15, 2021 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“the AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members (also referred as “Shareholders”) at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), MCA Circulars and SEBI Circular (amended from time to time), the AGM of the Company is being held through VC / OAVM and Members can attend and participate in the ensuing AGM through VC/OAVM.

For this purpose, necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) and instructions for the process to be followed for attending and participating in the ensuing AGM through VC / OAVM is forming part of this Notice.

2. The Explanatory Statement as required under Section 102 of the Act relating to the Special Businesses to be transacted at the AGM is annexed hereto. Further, the explanatory statement relating to Ordinary Business in Item No. 3 to be transacted at the AGM is also annexed hereto.
3. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, December 14, 2021, the Company is providing facility of Remote e-voting (E-voting from a place other than venue of the Meeting) and E-voting during AGM, to its Members in respect of the businesses to be transacted at the AGM.

For this purpose, necessary arrangements have been made by the Company with CDSL to facilitate Remote e-voting and E-voting during AGM. The instructions for the process to be followed for Remote e-voting and E-voting during AGM is forming part of this Notice.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to Section 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a member entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote, instead of



- himself / herself and the proxy need not be a Member of the Company. However, pursuant to MCA Circulars and SEBI Circular, since the AGM will be held through VC / OAVM, the physical attendance of Members in any case has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form is not annexed to this Notice.
6. Pursuant to Section 113 of the Act, representatives of Corporate Members may be appointed for the purpose of voting through Remote e-voting or for participation and voting in the AGM to be conducted through VC / OAVM. Corporate Members intending to attend the AGM through their authorised representatives are requested to send a Certified True Copy of the Board Resolution and Power of Attorney, (PDF / JPG Format), authorizing its representative to attend and vote on their behalf at the AGM. The said Resolution / Authorisation shall be sent to the Company by e-mail through its registered e-mail address at investorrelations@steelcitynettrade.com
 7. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for FY 2021-22 will be sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories as on benpos date i.e., 01.07.2022 and whose email addresses are registered with the Company / Depositories. Members may note that the Notice and Annual Report for FY 2021-22 will also be available on website of the Company, i.e. www.steelcitynettrade.com, website of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com .
 8. Process for registration of e-mail ID for obtaining Annual Report in electronic mode and User ID / password for E-voting is annexed to this Notice.
 9. The Relevant documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode. Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at investorrelations@steelcitynettrade.com
 10. The Company has appointed Sri. K. Surendra, ASN Associates, Practicing Company Secretary as the Scrutinizer for scrutinizing the Remote e-voting and E-voting process to ensure that the process is carried out in a fair and transparent manner.
 11. Pursuant to section 91 of the Companies Act, 2013, that the Register of Members and Share Transfer Books of the Company will remain closed from 25.07.2022 to 29.07.2022 (both days inclusive) for the purpose of Annual General Meeting (AGM) and also to ascertain the Shareholders who are eligible for the proposed Final Dividend to be declared at the ensuing AGM,.
 12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
 13. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.



14. A person who is not a Member as on the cut-off date i.e. 23.07.2022 should treat this Notice for information purpose only.
15. Members who are holding shares in physical form or who have not registered their e-mail address with the Company / Depositories or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, may obtain the User ID and password by following the instructions as mentioned in the Notice of the AGM.
16. Members can avail the facility of nomination in respect of the Equity Shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with rules thereunder. Members desiring to avail this facility may send their nomination in Form SH-13 duly filled in to the Registrar & Share Transfer Agent ("RTA") of the Company i.e. Bigshare Services Private Limited.

Further, members desirous of cancelling / varying nomination pursuant to the provisions of the Act are requested to send their requests in Form SH -14 to RTA of the Company. These forms will be made available on request.
17. The Members who still hold share certificate(s) in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries. Further, effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per the Listing Regulations. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
18. **Unclaimed Dividend**

Pursuant to the provisions of Section 124 and 125 of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unclaimed / unpaid for a period of 7 years are required to be transferred to Investor Education and Protection Fund ("IEPF").

The Company requests the Members to claim the unclaimed dividends within the prescribed period. The details of the unclaimed dividends are available on the website of the Company at www.steelcitynettrade.com and MCA at www.iepf.gov.in. The Members can contact Bigshare Services Private Limited for claiming the unclaimed dividends standing to the credit in their account.
19. SEBI has mandated the registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, to send duly signed letter including Folio No., Bank Account Details(account number, 9 digit MICR code and 11 digit IFSC), e-mail IDs and mobile number along with self-attested copy of PAN Card and original cancelled cheque to RTA / Company through e-mail at investorrelations@steelcitynettrade.com

The original cancelled cheque should bear the name of the Member. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.



20. Additional Information of Directors seeking appointment / re-appointment at the ensuing AGM, as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the Secretarial Standard-2 on General Meetings ("SS-2"), is annexed to the Notice.
21. All grievances connected with the facility for voting by electronic means may be addressed to investorrelations@steelcitynettrade.com
22. Since the AGM will be held through VC / OAVM, the Route Map, Attendance Slip and Proxy form are not annexed to this Notice.

Voting Results :

1. The Scrutinizer shall, after the conclusion of the AGM, electronically submit the Consolidated Scrutinizer's Report (i.e. votes cast through Remote e-voting and E-voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the AGM or to any other person authorised by the Chairman of the Company.
2. Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
3. The result declared along with Scrutinizer's Report will be placed on the website of the Company at www.steelcitynettrade.com and on the website of NSDL at www.nsdl.co.in

INSTRUCTIONS FOR REMOTE E-VOTING AND E-VOTING DURING AGM :

The remote e-voting period begins on Wednesday, the 27th day of July, 2022 at 9:00 A.M. and ends on Friday, the 29th day of July, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter.

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

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



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLoginThe system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none">1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon



	<p>“Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CCDL heldesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 amd 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no : 1800 1020 990 and 1800 22 44 30

(ii) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.



- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below :

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)- <ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank details OR date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> ● If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (iii) After entering these details appropriately, click on “SUBMIT” tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for the Steel City Securities Limited on which you choose to vote.
- (vii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (x) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.



- (xi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investorrelations@steelcitynettrade.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER :

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.



7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (investorrelations@steecitynettrade.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (investorrelations@steecitynettrade.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.



DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT, PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY ICSI :

DIN	07548398
Name of the Director	Guruvu Vishnu Vandana
Date of first appointment	30.07.2016
Date of Birth	10.10.1978
Qualification	MBA, M. Com
Nature of expertise in specific	Having experience of more than 6 years in Capital Market operations
Directorship in the Boards of other Indian listed entities	NA
Membership/ Chairmanship in Committees of other Indian listed entities	NA



ANNEXURE TO THE NOTICE

The Statement under Section 102 of the Companies Act, 2013 (“the Act”)

ITEM NO. 5 : Increasing the Borrowing Powers under Section 180(1) (c) of the Companies Act, 2013 up to Rs. 120 Crores :

The members are informed that whenever the Company is borrowing funds, loans or obtaining any financial assistance in excess of the paid up capital and reserves apart from temporary loans obtained/ to be obtained from the Company’s bankers in the ordinary course of business, it has to comply with the provisions of Section 180(1)(c) of the Companies Act, 2013, which envisages a Special Resolution to be passed by the Members, authorizing the Directors to borrow moneys exceeding the Paid-up Share Capital and free reserves. In view of the proposed plans for expansion of the business by adding more related business activities which are viable, more funds are required in this regard. The Board considered to obtain more funds in addition to the existing loan/credit facilities, but not exceeding Rs. 120.00 Crores (Rupees One Hundred and Twenty Crores).

The Board of the Directors recommend passing of the Special Resolution at item No. 5 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/are concerned or interested in any manner, in passing the resolution set out in the Notice.

ITEM NO. 6 : Creation of security on the properties of the Company, both present and future, in favour of lenders :

The members are informed that whenever the Company borrows funds from time to time as per its requirements from the bankers, financial institutions and other Juristic Persons, subject to overall limit as approved by the Shareholders, need may arises to mortgage and create charge on the assets of the Company as per the requirement of the lenders and this would be regarded as disposal of the Company’s properties/undertaking and it is incumbent to obtain the Shareholders approval under Section 180(1)(a) of the Companies Act 2013, by way of Special Resolution. The Board shall exercise such power only after obtaining the consent of the Shareholders at their Meeting.

The Board of the Directors recommend passing of the Special Resolution at item No.6 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is/are concerned or interested in any manner, in passing the resolution set out in the Notice.

Regd. Office :

49-52-5/4
Shantipuram
Visakhapatnam – 530 016
Andhra Pradesh

Place : Visakhapatnam

Date : 25.06.2022

**By Order of the Board of Directors
For Steel City Securities Limited**

(K. Satyanarayana)
Executive Chairman
(DIN : 00045387)



DIRECTORS' REPORT

To,
The Members,
Steel City Securities Limited
49-52-5/4, Shanthipuram,
Visakhapatnam - 530016
Andhra Pradesh, India.

Your Directors have pleasure in presenting the Twenty-Eighth Annual Report on the business and operations of the Company along with the Audited Financial Statements for the Financial Year ended 31st March, 2022 and the Report of the Auditors thereon.

1. FINANCIAL PERFORMANCE AND REVIEW : (Standalone and Consolidated)

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Gross Income	6624.78	5490.70	6667.37	5533.78
Expenditure	4735.96	4104.86	4752.60	4052.50
Profit/(loss) before Depreciation, Finance Costs, Exceptional Items & Taxation	1888.82	1385.84	1914.77	1481.28
Less: Depreciation	64.29	67.73	67.04	70.70
Profit/(loss) after Depreciation and before Finance Costs, Exceptional Items & Taxation	1824.53	1318.11	1847.73	1410.58
Less: Finance Costs	49.28	50.17	49.28	51.06
Profit/(loss) before Exceptional Items & Taxation	1775.25	1267.94	1798.45	1359.52
Add/ (Less): Exceptional Items	0.00	0.00	0.00	0.00
Profit/(loss) before taxation	1775.25	1267.95	1798.45	1359.52
Less : Provision for Taxation				
For earlier years	28.05	4.55	28.33	4.39
For current year	467.42	367.04	476.46	368.89
Deferred Tax Liability	(12.89)	(35.59)	(16.16)	(17.89)
Net Profit after Taxation	1292.67	931.94	1309.82	1004.13
Add: Share of Profit in Associate	-	-	72.06	53.32
Profit after Tax and Share of Profit in Associate	1292.67	931.94	1381.88	1057.45
Less : Minority Interest	-	-	-	-
Profit for the Year	1292.66	931.94	1381.88	1057.45
Add: Balance brought forward from earlier year	4486.97	3950.36	5732.48	5077.58



Balance available for appropriations	5779.63	931.94	1381.88	1057.45
Less : Amount transferred to Reserves	129.27	93.19	130.98	100.41
Less : Interim Dividend and Dividend Tax	453.21	302.14	453.21	302.14
Less : Proposed Dividend and Dividend Tax	0.00	0.00	0.00	0.00
Balance carried forward to P & L A/c	5197.15	4486.97	6530.16	5732.48
Basic EPS	8.56	6.17	9.15	7.00
Diluted EPS	8.56	6.17	9.15	7.00

2. AMOUNT TRANSFERRED TO RESERVES :

The Board of Directors proposes to transfer an amount of Rs. 129.27 Lakhs to General Reserve for the Financial Year 2021-22.

3. DIVIDEND :

The Board of Directors of the Company at their meeting held on the 3rd day of November, 2021 has declared 1st Interim Dividend @ 10% for every Equity Share of Rs. 10/- each and has declared 2nd Interim Dividend @10% for every Equity Share of Rs.10/- each at their meeting held on 10th February, 2022 after considering the Provisional Financials of the Company. The Board further recommends a Final Dividend @ 10 % for every Equity Share of Rs. 10/- each after taking into consideration the Financial position of the Company. On the whole the Company has declared a dividend of Rs. 3.00/- i.e, @30 % for every Equity Share of Rs.10/- each for the Financial Year 2021-22.

4. STATE OF AFFAIRS OF THE COMPANY DURING THE YEAR :

i. Standalone :

During the year under review, the Company has recorded an Income of **Rs.6624.78 Lakhs** as compared to the previous year amount of **Rs. 5490.70 Lakhs**. The Expenditure incurred before depreciation and Finance Costs during the year was **Rs. 4735.96 Lakhs** as against the amount of **Rs. 4104.85 Lakhs** during the previous year. The depreciation and Finance Costs provided during the year were respectively **Rs. 64.29 Lakhs** and **Rs. 49.28 Lakhs** as compared to the depreciation and Finance Costs provided for the previous year were **Rs.67.73 Lakhs** and **Rs. 50.17 Lakhs** respectively. The Provision for Taxes provided during the year amounted to **Rs. 482.58** as compared to **Rs. 336.00** in the previous year. Hence, the Company has earned a Net Profit of **Rs. 1292.67 Lakhs** to the previous year amount of **Rs. 931.94 Lakhs**. The Board has taken all necessary steps to expand its activities by establishing new Branches/Centers in other States and also by adding new services and products. The income from the segment of e-Governance also will certainly increase the business of the Company and has opened around 16000+ Franchises during the Financial Year 2021-22. The Company also proposes to get itself registered as a Mutual Fund Intermediary. Hence, the Company expects bright future in the years to come.



Consolidated :

During the year under review, the Company has recorded an Income of **Rs. 6667.37 Lakhs** as compared to the previous year amount of **Rs. 5533.78 Lakhs**. The Expenditure incurred before depreciation and Finance Costs during the year was **Rs. 4752.50.Lakhs** as against the amount of **Rs. 4052.60 Lakhs** during the previous year. The depreciation and Finance Costs provided during the year were respectively **Rs. 67.04 Lakhs** and **Rs. 49.28 Lakhs** as compared to the depreciation and Finance Costs provided for the previous year were **Rs.70.70 Lakhs** and **Rs. 51.06 Lakhs** respectively. The Provision for taxes provided during the year amounted to **Rs. 488.63 Lakhs** as compared to **Rs. 355.39 Lakhs**. Hence, the Company has earned a Net Profit of **Rs.1309.82 Lakhs** as compared to the previous year amount of **Rs. 1004.13 Lakhs**.

ii. CHANGE IN THE NATURE OF BUSINESS :

There is no change in the nature of Business of the Company during the Financial Year 2021-22.

iii. CHANGE IN ACCOUNTING POLICIES :

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

iv. MATERIAL CHANGES AND COMMITMENTS OCCURRED SINCE THE END OF THE FINANCIAL YEAR TILL THE DATE OF THE REPORT :

There are no material changes and commitments occurred since the end of the Financial Year till the date of report.

v. MILESTONES ACHIEVED :

The Company has also intensified the process of building its own Corporate office building at the Company owned site situated on the main road of Seethampapeta, Visakhapatnam which will be operational during the current year. Your Company is having its footprint in 36 States and Union Territories across India and is operating through more than 70 owned branches, 16000+Franchises and is having 5000+ Authorised Persons working under the Company.

vi. DEPOSITORY SYSTEM :

The Equity Shares of the Company are compulsorily tradable in electronic form. As on March 31, 2022, out of the Company's total paid-up Equity Share Capital comprising of 1,51,07,095 Equity Shares, only 93,600 Equity Shares are in physical form and the remaining shares are in electronic form (demat form). In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail the facility of dematerialization.

vii. GROWTH PROSPECTS FOR INDIAN CAPITAL MARKET IN 2022 :

India is expected to see an 8% to 8.5% GDP growth in the financial year 2022-23, according to Economic Survey 2022. Private sector investment to pick with financial system in good position to provide support to revival of economy.



Robust export growth and availability of fiscal space to ramp up capital spending to support growth next fiscal. Growth in FY23 to be supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations.

Capital markets in any country play a pivotal role in the growth of economy and meeting the country's socioeconomic goals. They are an important constituent of the financial system given their role in the financial intermediation process and capital formation of the country. The importance of capital markets cannot be under-emphasized for a developing economy like India which needs significant amount of capital for development of strong infrastructure.

The Government, the Regulators and the financial institutions have an important role to play in building a strong and robust capital market. The growth trajectory of a country's capital markets is significantly influenced by the actions of these stakeholders. Concerted efforts of the Government and the Regulators supported by a longterm vision and clarity in action can significantly help in fostering a climate that is conducive to growth and investments.

5. CAPITAL AND DEBT STRUCTURE :

a. AUTHORISED SHARE CAPITAL :

The present Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twenty Five Crores Only).

b. ISSUED AND PAID - UP SHARE CAPITAL OF EQUITY SHARES :

The present Issued and Paid-up Share Capital of the Company is Rs. 15,10,70,950/- (Fifteen Crores Ten Lakhs Seventy Thousand Nine Hundred and Fifty Only).

c. ISSUE OF EQUITY SHARES :

During the year the Company has not issued any Equity Shares.

d. BUY BACK OF SECURITIES :

The Company has not bought back any of its Securities during the year under review.

e. SWEAT EQUITY :

The Company has not issued any Sweat Equity Shares during the year under review.

f. BONUS SHARES :

No Bonus Shares were issued during the year under review.

g. EMPLOYEES STOCK OPTION PLAN :

The Company has not provided any Stock Option Scheme to the Employees.

h. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS :

The Company has not issued any Equity Shares with differential Rights during the year.

i. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARES BY EMPLOYEES OR BY TRUSTEES FOR THE BENEFIT OF EMPLOYEES :

The Company has not provided any money for purchase of own Shares, by Employees or by Trustees for the benefits of Employees.



6. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :

The Company has transferred an amount of Rs. 1,89,900/- to the Investor Education and Protection Fund during the year under review.

7. TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND :

Pursuant to the provisions of Section 124(6) Companies Act, 2013, the Company is required to transfer Shares of the Company relating to those Shareholders who haven't claimed Dividend for a period of 7(Seven) Consecutive years. Hence, as per the above provisions, Your Company has transferred 10,400 Equity Shares of the Company to Investor Education and Protection Fund during the Financial year 2021-22.

8. MANAGEMENT :

(a) Change in the Composition of the Board of Directors :

During the year under review, Sri. M. H. Jagganadha Rao ceased to be Director of the Company upon completion of two terms as Independent Director of the Company and Sri. E. Sridhar was appointed as Independent Non-Executive Director of the Company at the Annual General Meeting of the Company held on 18.09.2021.

(b) Independent Directors :

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Sri Godithi Satya Rama Prasad and Sri. B. Krishna Rao continue as Independent Directors of the Company. During the year under review, Sri. M. H. Jagganadha Rao ceased to be Independent Director of the Company upon completion of Two terms as Independent Director of the Company w.e.f. 29.07.2021. The appointment of Sri. G. Vijaya Kumar as Additional (Non-Executive Independent) Director was regularized at the Annual General Meeting held on 18th September, 2021. Sri.E.Sridhar was appointed as Independent Non-Executive Director of the Company at the Annual General Meeting of the Company held on 18th September, 2021.

All the Independent Directors have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year. Further, all the Independent Directors of the Company got themselves registered in the Independent Directors Data bank.

(c) Retirement by Rotation :

In terms of Section 152 of the Companies Act, 2013 Smt. G.V. Vandana, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered herself for re-appointment.

The Board confirms that none of the Directors of the Company are disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

(d) Key Managerial Personnel (KMP) :

Pursuant to the provisions of Section 203 of the Act, which came into effect from April 1, 2014, the Board of Directors have approved the appointments of Sri Kamireddi Satyanarayana, Executive



Chairman; Sri Satish Kumar Arya, Managing Director; Sri. T. V. Srikanth, Whole – Time Director; Sri. Ramu Naraharasetti, Chief Financial Officer (CFO) and Smt. M. Srividya, Company Secretary continue to hold the office as KMP of the Company.

9. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION :

The Company has formulated a policy on Director's appointment and Remuneration which is available on the website of the Company www.steelcitynettrade.com.

10. REMUNERATION OF MD/ WTD FROM SUBSIDIARY COMPANY :

None of the Whole Time Director's or Managing Director of the Company does not draw any remuneration from the Subsidiary Company.

11. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 134 (5) of the Companies Act, 2013, Board of Directors of the Company, confirm that :

- a) In preparation of the Annual Accounts for the financial year ended 31st March 2022, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- b) The Directors have selected Accounting Policies, consulted the Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the financial year and of the profit or loss of the Company, for that period.
- c) The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and
- d) The Directors have prepared the Annual Accounts of the company on a going concern basis;
- e) 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; and
- f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

12. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT :

Our Company has One (1) Wholly Owned Subsidiary i.e., M/s. Steel City Commodities Private Limited and an Associate Company i.e, M/s. Steel City Financial Services Private Limited. The financial performance of both the Companies is enumerated below:

Steel City Commodities Private Limited

Steel City Commodities Private Limited became Subsidiary of the Company in 2004 and Wholly Owned Subsidiary during the Financial Year 2018-19, is in the business of Corporate Insurance Agent and also into the business of Credit cards. During the Financial Year 2021-22, the Subsidiary has earned a Net Profit of Rs. 17.15 Lakhs as against the Net Profit of Rs. 72.19 Lakhs for the Financial Year 2020-21.



Steel City Financial Services Private Limited :

Steel City Financial Services Private Limited is an Associate Company of Steel City Securities Limited carrying on the business of Non-Banking Financial Services by providing Project finance loans, Housing Loans, Personal Loans etc., to its clients. During the Financial Year 2021-22, the Associate Company has earned a Net Profit of Rs. 164.76 Lakhs as against the Net Profit of Rs. 121.91 Lakhs for the Financial Year 2020-21.

13. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013 :

The Company has always believed in providing a safe and harassment free workplace for every individual working in premises and always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company also files the requisite Annual Compliance Certificate with the District Authorities upon completion of the calendar year.

During the year ended 31st March, 2022, the Company has not received any complaint pertaining to sexual harassment.

14. ISO CERTIFICATION :

The Company continues to hold ISO 9001 : 2015 Certification with the scope of "Service Provision for Stock / Securities Market Operations, Depository Participant Services, Other Allied and Customer Support Services" from TUV India Pvt. Ltd. The Company has been complying with the concerned procedure in this regard.

15. NUMBER OF MEETINGS OF THE BOARD :

During the F.Y. 2021-22 the Board of Directors met for 8 (Eight) times to discuss about the business and other important matters relating to the Company and the details of the meetings of the Board mentioned in the Corporate Governance Report, which forms part of this report.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES :

All contracts / arrangements / transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

These have been discussed in detail in the Notes to the Standalone Financial Statements in this Annual Report and also a report on related party transactions entered into by the Company is annexed as Annexure-2.

17. DEPOSITS :

The Company has not accepted any fixed deposits attracting the provisions of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.



18. AUDITORS :

a) Statutory Auditors :

At the ensuing Annual General Meeting, the existing Statutory Auditors of the Company M/s. SARC & Associates, Visakhapatnam shall retire and hence the Board recommended the appoint of M/s. Rao & Kumar, Chartered Accountants, Visakhapatnam in place of the retiring Auditors who shall hold office for a period of 1 year.

(b) Internal Auditors :

M/s. Rao & Manoj Associates, Chartered Accountants, Visakhapatnam were appointed as the Internal Auditors of the Company for the Financial Year 2022-23, who are acting independently and also responsible for regulatory and legal requirements relating to operational processes and internal systems.

Sri. Y.S.N. Murthy, Chartered Accountant, Visakhapatnam was appointed as Internal Auditors of the Company for the Financial Year 2022-23, who are acting independently and also responsible for regulatory and legal requirements relating to D.P Operations and the Internal Audit relating to the Pension Fund Regulatory Authority of India of the company.

M/s. Ramamoorthy (N) & Co, Chartered Accountants, Visakhapatnam were appointed as Internal Auditors as per the Circular issued by Securities Exchange Board of India for the Financial Year 2022-23.

M/s. Sangu & Associates, Chartered Accountants, Visakhapatnam were appointed as GST Auditors of the Company for the Financial Year 2022-23 to conduct GST Audit of the Company.

Mr. Sanjay Ravindra Kumar Desai, Practising Company Secretary was appointed as internal Auditor of the Company for the Financial year 2022-23 to conduct TIN - FC Internal Audit as per the requirement of NSDL.

(c) Systems Auditors :

M/s. Paras'B Shah & Associates, Chartered Accountants, Ahmedabad were appointed as the Systems Auditors of the Company and also as per the NSE, BSE, MSEI, MCX and NCDEX Exchanges notified Rules & Regulation from time to time for the Financial Year 2022-23.

(d) Secretarial Auditors :

M/s. ASN Associates, Practising Company Secretaries, Visakhapatnam were appointed as Secretarial Auditors of the Company as per provisions of Section 204 of the Companies Act, 2013 and Rules made there under for the Financial Year 2022-23. The Secretarial Audit Report for the Financial Year 2022-23 forms part of the Annual Report as Annexure-8 to the Board's Report.

19. AUDITORS' REPORT :

The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remarks.

20. CREDIT & GUARANTEE FACILITIES :

The Company has been availing secured loans, overdraft facilities and bank guarantee facilities from HDFC Bank Limited, Karur Vysya Bank Limited and Karnataka Bank Limited from time to time for the business requirements.

21. PARTICULARS REGARDING ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Your Company continues to explore all possible avenues to reduce energy consumption.



The particulars as prescribed under Sub – Section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - 5 to the Board's Report.

22. COMPLIANCE WITH SECRETARIAL STANDARDS :

The Board hereby declares that the Company hereby follows all the procedures which are in compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India.

23. MANAGEMENT DISCUSSION ANALYSIS :

Management Discussion & Analysis is given as Annexure - 9.

The Board has been continuing its efforts and taken the required steps in the following areas :

1. Industry Structure and Development.
2. Growth Strategy.
3. Segment-Wise Performance.
4. Internal Control Systems and their adequacy.
5. Strengths, Weaknesses, Opportunities and Threats.
6. Financial Performance with respect to Operational Performance.
7. Material Developments in Human Resources / Industrial Relations.
8. Strict Compliances.
9. Talent Management, Leadership Development, and Talent Retention.
10. Learning and Development.

24. CORPORATE GOVERNANCE :

Your Company has been complying with the principles of good Corporate Governance over the years. In compliance with Regulation 34 of the SEBI (LODR) Regulations 2015, a separate report on Corporate Governance forms an integral part of this report as Annexure –3. The Auditor Certificate on Corporate Governance is also annexed along with the report on Corporate Governance as Annexure -4.

Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

25. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The key philosophy of all CSR initiatives of the Company is guided by three core commitments of Scale, Impact and Sustainability. During the year, the Company has spent an amount of Rs. 24,20,396/-, which is to be mandatorily spent by the Company on CSR activities as per the provisions of Section 135 of the Companies Act, 2013.



Your Company's CSR Policy Statement and Annual Report on the CSR Activities undertaken during the Financial Year ended 31st March, 2022, in accordance with Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this report as Annexure-6.

26. INTERNAL FINANCIAL CONTROLS :

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

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

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

28. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES AS PER SECTION 197(12) UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :

The remuneration paid to the Directors is in accordance with the recommendations of Nomination and Remuneration Committee formulated in accordance with Section 178 of the Companies Act, 2013 and any other re-enactment(s) for the time being in force.

The Managing Director & Whole-Time Directors of your Company did not receive remuneration from any of the Subsidiaries of your Company.

Particulars of employees as required in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure-7. Your Company has not paid any remuneration attracting these provisions.

29. DECLARATION BY INDEPENDENT DIRECTORS :

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every Financial Year, gives a declaration that he meets the criteria of independence as provided under law. The same Declaration has been made by the Independent Directors of the Company.

30. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. Any incidents that are reported are investigated and suitable action taken in line with the Whistle Blower Policy. The Whistle Blower Policy is also available on your Company's website (www.steelcitynettrade.com).



31. RISK MANAGEMENT :

All the risks are discussed at the Senior Management Level at their meetings periodically to ensure that the risk mitigation plans are well thought out and implemented and adverse impact of risks is avoided or kept within manageable proportions. Further, the Board has been identifying the elements of the Risks which may threaten the existence of the Company from time to time.

32. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013 :

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

33. BOARD EVALUATION :

The Board of Directors has carried out an Annual Evaluation of its own performance, Board Committees and Individual Directors pursuant to the provisions of the Act.

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

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman as well as the Whole-Time Directors was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

34. INSURANCE :

All the assets of the Company wherever necessary and to the extent required have been adequately insured.

35. EMPLOYEE RELATIONS :

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.



36. STATUTORY COMPLIANCES :

The Company has complied and continues to comply with all the applicable Regulations, Circulars and Guidelines issued by the MCA, Exchanges, SEBI, other Regulating Agencies, filings, etc.

37. GENERAL :

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

- a. Neither the Managing Director nor the Whole-Time Director of the Company receives any remuneration or commission from any of its subsidiary.
- b. Issue of Equity Shares with differential rights as to Dividend, voting.
- c. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any scheme.

38. ANNUAL RETURN :

Pursuant to the requirement under section 92(3) of the Company Act, 2013, copy of the Annual Return can be accessed on our website www.steelcitynettrade.com

39. ACKNOWLEDGEMENTS :

Steel City Securities Limited is grateful to the Government of India, Securities and Exchange Board of India (SEBI), Registrar of Companies (ROC), National Securities Clearing Corporation Limited (NSCCL), Bombay Stock Exchange Ltd (BSE), National Stock Exchange of India Limited (NSE), National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL), Metropolitan Stock Exchange of India Ltd (MSEI), National Commodities & Derivatives Exchange (NCDEX), Multi Commodities Exchange (MCX), and other Exchanges, Pension Fund Regulatory & Development Authority (PFRDA), Bankers, Rating agencies (CRISIL), Government Authorities, Local Bodies and other agencies for their continued co-operation, support and guidance.

Steel City Securities Limited would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation of all the employees, whose outstanding professionalism, commitment and initiative has made the organizations growth and success possible and continues to drive its progress. The Directors also express their gratitude to the Bankers and Auditors of the Company. Finally, the Directors wish to express their gratitude to the members for their trust and support.

By Order of the Board
For Steel City Securities Limited

Place : Visakhapatnam
Date : 14.05.2022

(K. Satyanarayana)
Executive Chairman
(DIN : 00045387)

(Satish Kumar Arya)
Managing Director
(DIN : 00046156)



ANNEXURE - I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A": Wholly Owned Subsidiary

(Information in respect of each subsidiary to be presented with Amount in Rs.)

Sl. No.	Particulars	Steel City Commodities Private Limited
1.	CIN of the Subsidiary	U51399AP2002PTC039727
2.	The date since when subsidiary was acquired	Since 01.04.2004
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2021 to 31.03.2022
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Rupee (INR)
5.	Share capital	Authorised : Rs. 1,00,00,000 Paid Up : Rs. 1,00,00,000
6.	Reserves & surplus	Rs. 13,65,12,542.78
7.	Total assets	Rs. 15,18,27,594.44
8.	Total Liabilities	Rs. 53,15,051.67
9.	Investments	Rs. 3,26,29,684.20
10.	Turnover	Rs. 42,58,703.69
11.	Profit before taxation	Rs. 23,20,249.99
12.	Provision for taxation	Rs. 6,05,190.64
13.	Profit/Loss after taxation	Rs. 17,15,059.36
14.	Proposed Dividend	NIL
15.	Extent of shareholding (%)	100%

Notes :

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year - NIL



Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Sl.No.	Name of associates/Joint Ventures	Steel City Financial Services Private Limited (Associate Company)
1.	Latest audited Balance Sheet Date	31.03.2022
2.	Date on which the Associate or Joint Venture was associated or acquired	Since 01.04.2015
3.	Shares of Associate/Joint Ventures held by the company on the year end	9,60,000 Shares
	Amount of Investment in Associates/Joint Venture	Rs. 96,00,000/-
	Extent of Holding (%)	21.87%
4.	Description of how there is significant influence	Holding 43.74% of the Total share capital along with its wholly owned subsidiary, M/s. Steel City Commodities Private Limited
5.	Reason why the associate/joint venture is not consolidated	NA
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 1,82,62,481.45
7.	Profit/Loss for the year	Rs. 1,64,76,254.84
i.	Considered in Consolidation	Rs. 72,06,015.78
ii.	Not Considered in Consolidation	NA

- Names of associates or joint ventures which are yet to commence operations – NIL
- Names of associates or joint ventures which have been liquidated or sold during the year - NIL

In terms of our report attached

For SARC ASSOCIATES

Chartered Accountants

FRN : 006085N

Chandra Sekhar Akula

Partner

Mem No : 206704

Place : Visakhapatnam

Date : 14.05.2022

For Steel City Securities Limited

K. Satyanarayana

Executive Chairman

N. Ramu
Chief Financial Officer

Satish Kumar Arya

Managing Director

M. Srividya
Company Secretary



Annexure – 2
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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions at Arm's length basis.

Name of the Related Party	Nature of Relationship	Duration of Contracts	Salient Terms	Amount (Rs. In Lakhs)
The Company has not entered into any contracts / agreements with related parties				

In terms of our report attached

For **SARC ASSOCIATES**

Chartered Accountants

FRN : 006085N

Chandra Sekhar Akula

Partner

Mem No : 206704

Place : Visakhapatnam

Date : 14.05.2022

For Steel City Securities Limited

K. Satyanarayana

Executive Chairman

Satish Kumar Arya

Managing Director

N. Ramu

Chief Financial Officer

M. Srividya

Company Secretary



ANNEXURE – 3 REPORT ON CORPORATE GOVERNANCE

Introduction

Steel City Securities Limited is a leading retail Stock Broking Company having its presence all over India. We are the pioneers and prime leaders in introducing the Franchisee model to extend our business potential in urban and rural areas of Andhra Pradesh & have business operations all over India. In 1998, the Company has achieved phenomenal growth in all aspects. The workforce has been given top priority to meet and enhance our endless support and services to its clients and stakeholders. In 2004, Steel City Commodities (P) Ltd. Has become the Subsidiary of Parent Company and consequently became the Wholly Owned Subsidiary of M/s. Steel City Securities Limited. The Company serves its clients and stakeholders with full dedication and trust.

Strength

Steel City is having memberships in National Level Exchanges of NSE, BSE, MSEI, NCDEX and MCX for Stock, Derivative, Commodity and Currency segments. Our offices are established at Remote Locations and are in very economical model with dedicated services on 24/7 basis. All our offices are situated at prime business locations to attract our dedicated services and support. At every office location, organization has deployed sufficient and skilled manpower to render services to all classes of investors. Some of the office premises are owned by us to establish and spread our brand more strongly. The operational equipment at each office is well maintained to ensure the business continuity. The promotional activities carried on by our Company are intact and are on a continuous stream of education to create awareness for all types of business class, particularly younger generations. Focusing towards increase in customer base services offered includes Equity Trading, Derivatives, Commodities, Currency, Mutual Funds, Life Insurance, General Insurance, Health Insurance, IPO, Depository Services, e-Governance, Loans and Investment Advisory. Our business process and practices are best in the Broking Industry. We have policy based processes which are very accurate and protective to maintain the transparency. The brand "Steel City" means "Confidence as Strong as Steel".

Services

We are providing a trading platform of Capital Market, Futures & Options, Commodities and Currency Derivatives of NSE, BSE, MSEI, MCX, and NCDEX, TIN-FC of NSDL e- Governance includes e-TDS return statements, TAN, PAN, PAN Change request, TAN Change request, e-TCS Returns/ Statements, E- sign Services, GST returns and Annual Information Return (AIR) and Form 24G. We also provide Margin Trading Facility for Stocks or derivatives traded on NSE and BSE. We provide Insurance Services by acting as Corporate agent of SBI Life Insurance, United India Insurance Company Limited and Religare Health Insurance Private Limited. We are committed to provide best services to our clients and are proud to disclose that there are no Investor Grievances received by the Company from its Clients. To provide best services to our Clients, Sub- Brokers and Authorised Persons, we have also made available a mobile trading app to enable Customers to trade anywhere, anytime using their mobile. We have also introduced the online payment system for all online and offline Trading Clients. We have distribution of Mutual funds and IPO with smart advisory Team Members to reach every Potential Investor and to encourage their Investments and growth plans. We promote Pension Schemes through PFRDA for the Retirement Benefits of both Employees and Business People.



Business Network

We have foot print of more than 70 Branches and more than 5000 Authorised Persons and more than 16000 Franchisees across India with 1600+ Terminal Licenses being connected to the Central Location. We are proud to inform that we are having more than 3 lakh Retail Clients. Our business is being extended to the remote locations where we have created awareness for all categories of Business People to plan their Investments in these growing Financial Markets of Equity, Derivatives, Commodities and Currency and we are opening more and more Branches year after year in almost every State of our Country and are planning to acquire own premises for all the branches of the Company. Apart from this we also have Web Clients from both Equity and Commodity Market Segments. We have well experienced team to market our products and capture more clients of respective business segments.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

"Steel City" believes that corporate governance is an integral element in improving efficiency and growth as well as enhancing investor confidence All the activities of the Company are carried out in accordance with Good Corporate Practices and the Company is constantly striving to improve them by adopting the best practices.

The company believes in sustainable corporate growth that emanates from the top leadership down through the organisation to the various stakeholders which is reflected in its sound financial system, enhanced market reputation and improved efficiency.

We believe that our company shall go beyond adherence to regulatory framework. Our corporate structure, business, operations and disclosure practices have been strictly aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.

Corporate Governance is about commitment to values, ethical business conduct and about considering all Stakeholders' interest in conducting the Business. Your Company continues to lay great emphasis on the broad principles of Corporate Governance :

The Company has set itself the objective of achieving excellence in its business. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance. The Company's Philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company believes that good Corporate Governance Practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximizing value for all its Stakeholders.

The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading Share Broking Company in South India, while upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to Steel City Group Companies.



2. BOARD OF DIRECTORS :

(a) Composition of the Board of Directors of the Company :

The Company is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the Listing Regulations. As on March 31, 2022, the Board consists of Eight Directors comprising of Three Executive Directors, one Non Executive Woman Director and Four Independent Directors. As the Company has an Executive Chairman, to comply with the Listing Regulations and other provisions of Law, 50% (Fifty Percent) of the total number of Directors are Independent. The Board reviews and approves strategy and oversees the actions and results of management to ensure that the long-term objectives of enhancing stakeholders' values are met.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16(1) (b) of the Listing Regulations and Section 149(6) of the Act. These confirmations have been placed before the Board. There were no material, financial and / or commercial transactions entered into between the Senior Management and the Company which could have potential conflict of interest with the Company at large.

During the year under review, Sri. M. H. Jagannadha Rao, Independent Director of the Company ceased to be Director of the Company upon completion of his two terms as Independent Director of the Company. Sri. E. Sridhar was appointed as Independent Director of the Company for a period of Five years at the Annual General Meeting of the Company held on the 18th day of September, 2021.

Composition of Board of Directors of the Company :

Category	No. of Directors
Independent Directors	4
Other Non – Executive Directors	1
Executive Director	1
Executive Chairman & Managing Director	2
Total	8

Matrix setting out the skills / expertise / competence of the Board of Directors :

Sl. No.	Name of the Director	Skills/ Expertise/ Competence
1.	K. Satyanarayana	Experience of 27+ years in Financial Services Industry
2.	Satish Kumar Arya	Experience of 27+ years in Financial Services Industry
3.	T. V. Srikanth	Experience of 15+ years in Technology, 4+ years in Broking Industry
4.	G. V. Vandana	Experience of 5+ years in Broking Industry
5.	G. Satya Rama Prasad	Experience of 25+ years in Broking Industry
6.	B. Krishna Rao	Experience of 23+ years in Broking Industry
7.	G. Vijaya Kumar	Experience of 25+ years in Broking Industry
8.	E. Sridhar	Experience of 23+ years in Broking Industry



b) MEETINGS OF THE BOARD :

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. The Board Meetings (including Committee Meetings) of the Company are scheduled after getting confirmation on dates from Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

The detailed Agenda together with the relevant attachments is circulated to the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is tabled at the meeting. In special and exceptional circumstances, consideration of additional or supplementary items is taken up with the approval of the Chair and majority of the Independent Directors. Senior Management Personnel are invited to the Board / Committee meeting(s) to provide additional inputs for the items being discussed by the Board / Committees thereof as and when necessary.

During the year under review, Eight (8) meetings of the Board were held on the following dates:

Sl. No.	Date of the Board Meeting	Board Strength	No. of Directors present
1	29.04.2021	8	8
2	28.07.2021	8	8
3	11.08.2021	7	7
4	09.09.2021	7	7
5	03.11.2021	8	8
6	30.11.2021	8	8
7	13.01.2022	8	8
8	10.02.2022	8	8

(i). Board Meetings held and Director's attendance record :

During FY 2021-22, 8 (Eight) Board Meetings were held. The details of Directors, their attendance at Board Meetings and at the previous Annual General Meeting of the Company are, given below:



Sl. No	Name of Directors	Category of Director	No. of Shares held as on 31 st March, 2022	No. of Board Meetings Attended during Financial Year 2021-22	No. of Directorships in Public Companies as on 31 st March, 2022*	No. of Board/ Committee Memberships held in Public Companies as on 31 st March, 2022**		Whether present at previous AGM held on September 18, 2021
						Chairman	Member	
1.	Sri Kamireddi Satyanarayana	Promoter, Executive Chairman	1254446	8	1	1	0	Yes
2.	Sri Satish Kumar Arya	Promoter, Managing Director	1051000	8	1	0	3	Yes
3.	Sri T.V. Srikanth	Executive Director	0	8	1	0	1	Yes
4.	Smt. G.V. Vandana	Promoter, Non-Executive Director	2575500	8	1	1	1	Yes
5.	Sri G. Satya Rama Prasad	Non-Executive Independent Director	400	6	1	0	3	Yes
6.	Sri Bheri Krishna Rao	Non-Executive Independent Director	188531	8	1	2	1	Yes
7.	Sri G. Vijaya Kumar	Non-Executive Independent Director	2616	8	1	0	1	Yes
8.	Sri E. Sridhar	Non-Executive Independent Director	0	4	1	0	1	NA

* Excludes Directorships in Private Limited Companies, Foreign Companies and Section 8 Companies and includes Directorship in Steel City Securities Limited

** In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of Committees of all Public Limited Companies, whether listed or not, has been considered including that of Steel City Securities Limited.



3. Details of other Directorship positions held by Directors in Listed Entities as on 31st March, 2022 :

Sl. No	Name of the Director	Names of listed entities in which Directorship held	Category of Directorship
1	Mr. K. Satyanarayana	None	None
2	Mr. Satish Kumar Arya	None	None
3	Mr. T. V. Srikanth	None	None
4	Mrs. G. V. Vandana	None	None
5	Mr. G. Satya Rama Prasad	None	None
6	Mr. B. Krishna Rao	None	None
7	Mr. G. Vijaya Kumar	None	None
8	Mr. E. Sridhar	None	None

4. Performance Evaluation :

In terms of provisions of the Act read with Rules issued there under and Regulations 17 and 19 of the Listing Regulations, the Board, on recommendation of the Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended March 31, 2022. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the environment and effectiveness of their contribution, etc.

5. Meeting of the Independent Directors :

Section 149(8) of the Companies Act, 2013 ("the Act") read with Schedule IV of the Act requires the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of non-independent directors and senior management. The Independent Directors of the Company met for 2 times during the Financial Year 2021-22 i.e., on 20.07.2021 and 01.11.2021 respectively, pursuant to the provisions of the Act and the Listing Regulations. The Chairman of said Meeting of Independent Directors was Sri. B. Krishna Rao. All the Independent Directors attended the meeting.

6. Shareholding of Promoters and their Relatives (Promoter Group) :

The following are the details of the Shares held by Promoters and their Relatives (Promoter Group) in the Company as on 31st March, 2022 :

Sl. No	Name of the Pomoter / Relative of Promoter	No. of Shares held	% of Shares held
1.	K. Satyanarayana	12,54,446	8.30
2.	Satish Kumar Arya	10,51,000	6.96
3.	G.V. Vandana	25,75,500	17.05
4.	G. Sirisha	24,43,731	16.18
5.	Steel City Financial Services Pvt. Ltd.	5,00,000	3.31



6.	K.S.V.Ramesh Babu	5,00,500	3.31
7.	K. Mahalakshmi	70,299	0.46
8.	K. Mrudula	65,000	0.43
9.	K.Geeta Vara Lakshmi	15,000	0.10
10.	K.Raj Kumar	2,600	0.02
11.	Nirmala Devi	1,18,800	0.79
12.	Sachin Arya	5,59,943	3.71
13.	Suman Arya	1,600	0.01
14.	Alka Rajput	26,200	0.17
15.	Venkata Triveni Tentu	2,42,428	1.60
16.	Pyla Madhu	51,300	0.34
	Total	94,73,347	62.74

7. COMMITTEES OF THE BOARD :

With a view to have a more focused attention on the business and for better governance and accountability, the Board has constituted including but not limited to various below mentioned Committees under the Act and Listing Regulations for compliance and / or administrative purpose. All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken care of by the Board of Directors. The Committees make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. Currently, the Board has Five Committees: the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Internal Complaints Committee.

The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

A. Audit Committee :

The Audit Committee acts as a link between the statutory & internal Auditors and the Board of Directors of the Company. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

Composition, Meetings and Attendance :

The composition of the Audit Committee and the details of meetings attended by the Members during the year are given below :

During the F Y 2021-22, the Committee met for 5 (Five) times i.e., on 29.04.2021; 31.07.2021; 11.08.2021; 03.11.2021; 10.02.2021. The details of the Composition of the Committee, number of meetings held and the attendance of the Members at the meetings during the year are given herein below :



Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
B. Krishna Rao	Independent Director	Chairman	5	5
G. Satya Rama Prasad	Independent Director	Member	5	4
E. Sridhar*	Independent Director	Member	1	1
G.V. Vandana	Non- Executive Director	Member	5	5

*Appointed as member of the Committee at the meeting of the Board of Directors held on 13th day of January, 2022.

During the year under review, the Audit Committee was reconstituted on 13.01.2021.

The requisite quorum was present at the meetings of the Committee. Audit Committee meetings are also attended by the Senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Audit Committee.

The scope of activities of the Audit Committee is as set out in Regulation 18 of the listing regulations read with Section 177 of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 and the amendments there to.

The Audit Committee also receives the report on compliance under the SEBI (Code of Conduct for Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Woman at Workplace (prevention, Prohibition and Redressal) Act, 2013 and Whistle Blower Policy are also placed before the Committee.

The terms of reference of the Audit Committee are broadly as follows :

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation of appointment, remuneration and terms of appointment of Auditors of the Company.
- Review and monitor the Auditor's independence and performance, and effectiveness of audit process.
- Examination of the financial statement and the Auditors' Report thereon
- Approval or any subsequent modification of transactions of the Company with Related Parties
- Scrutiny of Inter-Corporate Loans and Investments

B. Nomination and Remuneration Committee :

The Company has Nomination and Remuneration Committee (NRC) pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations.

The NRC Committee is responsible for formulating evaluation policies and reviewing all major aspects of Company's HR processes relating to hiring, training, talent management, succession planning and compensation structure of the Directors, KMPs and senior management. The Committee also anchored the performance evaluation of the Individual Directors.



Composition, Meetings and Attendance :

During the F Y 2021-22, the Committee met once i.e., on 26.07.2021. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below:

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
G. Satya Rama Prasad	Independent Director	Chairman	1	1
B. Krishna Rao	Independent Director	Member	1	1
G. Vijaya Kumar*	Independent Director	Member	NA	NA

* Became member w.e.f. 11.08.2021

During the year under review, the Nomination and Remuneration Committee was reconstituted on 11.08.2021.

The scope of the activities of the NRC is as set out in Regulation 19 of the Listing Regulations read with section 178 of the Companies Act, 2013.

The terms of reference of the Committee are as follows :

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Remuneration Policy :

The Nomination and Remuneration Committee while deciding the remuneration package of the Directors and Senior Management Executives ensures that :

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors/ Key managerial personnel/ Senior management of the quality required to run the Company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and variable incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals; and
- iv) specify the manner of effective evaluation of the performance of Board, its committees and individual directors to be carried out either by the Board or by the NRC or by an independent external agency and review its implementation and compliance.

The Non-Executive Independent Directors (NEDs) are paid remuneration by way of Sitting Fees for their participation in various committee and board meetings.



Remuneration to Directors :

The details of the Salary, allowances, perquisites and performance bonus paid to the Executive Directors is tabled below :

Sl. No.	Name of the Director	Salary/ Allowance/ Perquisites & Performance Bonus	Contribution to funds	Total
1	K. Satyanarayana	Rs. 36,00,000/-	-	Rs. 36,00,000/-
2	Satish Kumar Arya	Rs. 36,00,000/-	-	Rs. 36,00,000/-
3	T. V. Srikanth	Rs. 24,00,000/-	-	Rs. 24,00,000/-

The details of the Commission/ Sitting Fee paid to the Independent Directors/ Non-Executive Directors of the Company during the F. Y 2021-22 is tabled below :

Sl No.	Name of the Director	Sitting Fee	Commission	Total
1	G. Satya Rama Prasad	Rs. 52,500/-	-	Rs. 52,500/-
2	G. Vijaya Kumar	Rs. 70,000/-	-	Rs. 70,000/-
3	M H Jagannadha Rao*	Rs. 17,500/-	-	Rs. 17,500/-
4	B. Krishna Rao	Rs. 70,000/-	-	Rs. 70,000/-
5	G. V. Vandana	Rs. 70,000/-	-	Rs. 70,000/-
6	E. Sridhar**	Rs. 35,000/-	-	Rs. 35,000/-

* Mr. M. H. Jagannadha Rao ceased to be Director of the Company w.e.f. 29.07.2021

** Mr. E. Sridhar was appointed as Director of the Company w.e.f. 18.09.2021

C. Stakeholders Relationship Committee :

The terms of reference of the Committee are as follows :

- To address requests / resolve grievances of security holders including complaints related to transfer / transmission of securities, non-receipt of balance sheet, non-receipt of declared dividends / interests, etc.
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Specifically look into the various aspects of interest of shareholders, debenture holders and other security holders.
- Attending to complaints of security holders routed by SEBI (SCORES) / Stock Exchanges / RBI or any other Regulatory Authorities.

Composition, Meetings and Attendance :

During the F Y 2021-22, the Committee met Twice i.e., on 11.10.2021 and 10.02.2022. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below :



Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
B. Krishna Rao	Independent Director	Chairman	2	2
Satish Kumar Arya	Managing Director	Member	2	2
T.V. Srikanth	Whole Time Director	Member	2	2
G. Vijay Kumar	Independent Director	Member	2	2

During the year under review, the Committee was re constituted on 11.08.2021.

Stakeholder Relationship Committee meetings are also attended by the Senior management of the Company wherever necessary along with the Chief Financial Officer of the Company. The Company Secretary acts as the secretary of the Committee.

The Committee reviews the complaints received by the Company from its Investors and the action taken by the management to address these complaints.

Details of investor queries and grievances received and attended by the Company during the F. Y 2021-22 are given here in below :

Sl. No	Nature of Complaint	Pending as on 01.04.2021	Received during the year	Disposed off during the year	Pending as on 31.03.2022
1.	SEBI/ Stock Exchange Complaints	0	1	1	0
2.	Non – receipt of Dividend warrant / interest	0	0	0	0
3.	Non – receipt of Share Certificate	0	0	0	0
4.	Non – receipt of Annual Report	0	0	0	0
5.	Others	0	0	0	0
	Total	0	1	1	0

D. Corporate Social Responsibility Committee :

The terms of reference of the Committee are as follows :

- Formulate and recommend to the Board, a Corporate Social Responsibility (“CSR”) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- Recommend the amount of expenditure to be incurred on the activities referred to in the above Clause
- Update the Board on the implementation of various programmes and initiatives.
- Monitor the Corporate Social Responsibility Policy of the company from time to time.



Composition, Meetings and Attendance :

During the F Y 2021-22, the Committee met 3 (Three) times i.e., on 25.10.2021; 14.02.2022 and 30.03.2022. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below :

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
K. Satyanarayana	Executive Chairman	Chairman	3	3
Satish Kumar Arya	Managing Director	Member	3	3
G. Satya Rama Prasad	Independent Director	Member	3	3

The Company has complied with the necessary requirements under the Companies Act, 2013 in this regard.

The Web – Link to our CSR Policy and the initiatives undertaken by the Company during the F. Y. 2021-22 in CSR have been detailed in this report.

E. Internal Compliants Committee :

The terms of reference of the Committee are as follows :

- To act as Inquiry Authority on a complaint of sexual harassment
- To ensure that complainant and witnesses are not victimized or discriminated because of their complaint
- To ensure that all conflicts of interest are managed appropriately

Composition, Meetings and Attendance :

During the F Y 2021-22, the Committee met 3 (Three) times i.e., on 16.06.2021; 01.11.2021 and 11.01.2022. The details of the Composition of the Committee, number of meetings held and the attendance of the Members are given herein below :

Name of the Member	Category	Designation in the Committee	No. of Meetings	
			Held	Attended
G.V. Vandana	Non Executive Chairman	Chairman	3	3
Satish Kumar Arya	Managing Director	Member	3	3
M. Srividya	Company Secretary	Member	3	3



7. GENERAL BODY MEETINGS :

The venue and timings of the last three Annual General Meetings are given below :

Financial Year	Date	Location	Time
2018-19	14 September, 2019	Fortune Inn Sree Kanya, 47-10-34 &35, Dwarakanagar, Diamond Park, Sree Kanya Road, Visakhapatnam-530016	11.45 A.M
2019-20	26 September, 2020	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11.45 A.M.
2020-21	18 September, 2021	Through Video Conferencing(VC) / Other Audio Visual Means (OAVM)	11.45 A.M.

The number and particulars of the Special Resolutions passed in the last three Annual General Meetings are as follows :

Date of Annual General Meeting	Number and Particulars of Special Resolutions passed
14.09.2019	-
26.09.2020	-
18.09.2021	<ol style="list-style-type: none"> 1. Re- appointment of Sri B. Krishna Rao (DIN : 00274709) as Independent Non-Executive Director of the Company for a second term of five consecutive years in terms of Section 149 of the Companies Act, 2013. 2. Appointment of Sri E. Sridhar (DIN : 09234140) as Independent Non- Executive Director of the Company for a period of 5 (five) years. 3. To approve the increase in remuneration of Sri K. Satyanarayana (DIN : 00045387), Executive Chairman of the Company. 4. To approve the increase in remuneration of Sri Satish Kumar Arya (DIN : 00046156), Managing Director of the Company. 5. To approve the increase in remuneration of Sri T. V. Srikanth (DIN : 07992172), Whole-Time Director of the Company.

Postal Ballot Resolution(s) :

During the year under review, the Company has not passed any resolution for obtaining the approval of the Shareholders through Postal Ballot.

8. EMPLOYEES :

Continuous Employee Training Programs including seminars were conducted for upgrading their skills and knowledge in their respective areas.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company including Subsidiaries has an adequate Internal Control System designed to ensure operational efficiency, protection, conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman of the Company.



The Internal Control System is supported by an Internal Audit Process for reviewing the adequacy and efficiency of the Company's internal controls, including its systems, processes and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

An internal team of inspection also regularly visits branches for ensuring regulatory compliance. Post audit reviews are also carried out to ensure follow up on the observations made.

10. CREDIT RATING :

During the year under review, Rating Agencies reaffirmed/issued ratings to SCSL, as under: CRISIL: CRISIL SME Rating: SME – 2, It Indicates "High" level of Credit worthiness adjudged in relation to other SMEs

11. CLIENTS :

Client Satisfaction is our number one goal. We strive for 100% Client Satisfaction with everyone who comes in and out of our building.

12. OTHER STAKEHOLDERS :

The Company is always concerned about Clients, Franchisers, Customers, Suppliers, Competitors, Creditors and Local Community and strives to meet all expectations reasonably.

13. SOCIETY :

The Company is proactive towards Corporate Social Responsibility since the date of its incorporation.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES :

Pursuant to the provision of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has spent an amount of Rs. 24,20,396/- on CSR activities during the Financial Year 2021-22.

14. CORPORATE AFFAIRS & VISION :

The Company has been continuing effectively the best Corporate Affairs with the following :

- a) Advanced Planning Techniques and strategic supervision by the Board of Directors;
- b) Excellent co-ordination at all levels of management to achieve the tasks;
- c) Immediate attention towards Customers' requirements and public relations;
- d) Cautious approach in operations, rendering services efficiently and effectively to the clients;
- e) Adequate response towards socio-economic responsibilities;
- f) Focus on protecting the safety of the clients and the employees;
- g) To design the standards, policies, procedures and best practices in addition to the existing policies;
- h) To grow the Company and to generate long term Business results and expanding market presence;



- i) To retain the talented and dedicated Employees and implementing the best Administrative Manual;
- j) The vision is clear that SCSL will become the best performing and most respected Stock Broking Company in India, and
- k) The regular interaction with the Clients, Franchises, Branches, Employees encourage them to familiarize themselves with SCSL and helped the brand name STEEL CITY.

15. MEANS OF COMMUNICATION :

The Board takes on record the audited/ unaudited annual/ quarterly financial results prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS Rules) in the format prescribed under Regulation 33 of the Listing Regulations read with Circular Ref No. CIR/CFD/FAC/62/2016 dated 05 July, 2016 issued by SEBI within prescribed time limit from the closure of the quarter/year and announces the results to all the stock exchanges where the shares of the Company are listed. The Company has been publishing the results in the format as prescribed by SEBI in the Business Standard and Andhra Prabha News Papers within 48 hours of the conclusion of the meeting of the Board in which they are approved.

- (a) The quarterly, half-yearly and annual results of the Company are submitted to the Statutory Auditors of the Company for a limited review/full audit (as applicable) and the report of the Auditors is also filed with all stock exchanges after it is approved by the Board of Directors.
- (b) The quarterly results are not sent to each shareholder as shareholders are intimated through press.
- (c) The Company's website www.steelcitynettrade.com provides information about the Company to its existing and prospective stakeholders. The quarterly results are displayed on the Company's website along with other relevant information.
- (d) The Company also makes presentations on the Operational and Financial Highlights to its investors including the analysts which are hosted on the website of the Company i.e., www.steelcitynettrade.com and also submitted to the Stock Exchanges.
- (e) The Company has created a separate e-mail address i.e, investorrelations@steelcitynettrade.com to receive compliants and grievances of investors.

16. GENERAL SHAREHOLDER INFORMATION :

- a) Annual General Meeting :
Date : 30th July, 2022
Time : 11:45 AM
Venue : 49-52-5/4, Shantipuram, Visakhapatnam.
- b) Financial Year: 1st April, 2021 to 31st March, 2022.
- c) Name and Address of the Stock Exchange where the Shares are listed :
National Stock Exchange of India Limited
Exchange Plaza, Plot No : C1, G Block,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400051.



The Company has paid in full the requisite Annual Listing Fee for the Financial Year 2021-22 to NSE.

d) Stock Code : STEELCITY

e) Market Price data :

High, Low and Close Price during each month in the last financial year at NSE :

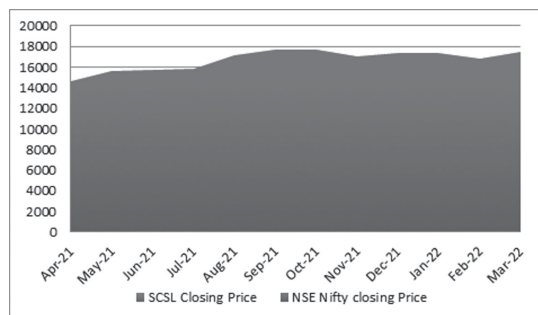
Month	NSE (Rs.)	
	High	Low
April' 21	45.00	33.55
May' 21	41.80	37.30
June ' 21	58.40	38.25
July'21	98.70	50.15
August'21	76.00	54.70
September'21	63.60	56.20
October ' 21	61.45	55.65
November'21	63.50	54.95
December '21	68.00	51.35
January '22	77.25	60.00
February ' 22	72.10	57.60
March'22	64.65	56.10

f) Dividend Payment Date :

Dividend	Date of Declaration	Date of Payment	% of Dividend on face value of Equity Share	Amount Per Share
Final Dividend 2020-21	18.09.2021	27.09.2021	10%	Re. 1/-
1 st Interim Dividend 2021-22	03.11.2021	26.11.2021	10%	Re. 1/-
2 nd Interim Dividend 2021-22	10.02.2022	04.03.2022	10%	Re. 1/-

g) Corporate Identification Number : L67120AP1995PLC019521

h) Stock Performance in comparison to Nifty : Steel City's Share price and Nifty Performance





i) Registrar and Share Transfer Agent :

The Board has delegated the authority of approving transfer, transmission etc. of the Shares of the Company to the Registrar and Share Transfer Agent . M/s. Bigshare Services Private Limited, Mumbai continue to act as Registrar and Share Transfer agent to take care of the works relating to physical shares and electronic connectivity and other D-Mat related services.

Address : Bigshare Services Private Limited,
1st Floor , Bhart Tin Works Building,
Opp. Vasant Oasis Apartments
(Next to Keys Hotels), Marol maroshi Road,
Andheri (E), Mumbai – 400059
Phone : 040 – 23374967
Fax : 040 – 23370295
E-Mail: bsshyd@bigshareonline.com
Website: www.bigshareonline.com

j) Share Transfer System :

Share transfers and related operations for the Company are processed by the Company's RTA viz., Bigshare Services Private Limited, Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

Securities and Exchange Board of India (SEBI) vide its notification dated 08 June, 2018 has notified Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (Listing Regulations) and SEBI (Registrars to an Issue and Share Transfer Agents) (Amendment) Regulations 2018 (RTA Regulations) and amendment to Regulation 40 of the Listing Regulations and Clause 5 of Schedule III of the RTA Regulations. These amendments have mandated that the transfer of securities would be carried out only in dematerialized form.

k) Distribution of Shareholding by size as on 31.03.2022 :

Shareholding of Nominal (Rs.)	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1-5000	8701	86.81	797988	5.28
5001- 10000	527	5.26	427799	2.83
10001-20000	418	4.17	716630	4.74
20001 – 30000	98	0.98	247240	1.64
30001-40000	58	0.58	215938	1.43
40001-50000	44	0.44	208818	1.38
50001-100000	70	0.70	513811	3.40
100001- 9999999999	107	1.07	11978871	79.29
Total	10023	100.00	15107095	100.00



l) Demat Information :

As on 31st March, 2022, 99.38% of the total shareholding of the Company have been converted into Demat form. The Company has executed agreements with both NSDL and CDSL for dematerialization of its Shares.

ISIN No for Equity Shares of the Company : INE395H01011

m) Outstanding ADRs/ GDRs / Warrants or any convertible instruments, conversion date and likely impact on Equity :

The Company has not issued any ADRs/ GDRs/ Warrants or any Convertible instruments.

n) Foreign Exchange Risk and Hedging Activities:

Not Applicable

o) Plant Location :

The Company is into the business of Broking, therefore, it does not have any manufacturing plants.

17. OTHER DISCLOSURES :

a) During the last three years, there were no material strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any Regulatory Authority for non-compliance of any matter related to the Capital Market.

b) Whistle Blower Policy / Vigil Mechanism :

Pursuant to the provisions of Regulation 22 of the Listing Regulations and section 177 of the Act, the Company established a Vigil Mechanism / Whistle Blower Policy for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

This mechanism provides for adequate safeguards against victimization of director(s) / employee(s) who avail the mechanism and makes provision for direct access to the Chairman of the Audit Committee. The policy has been uploaded on the website of the Company at www.steelcity.nettrade.com we affirm that no director / employee of the Company was denied access to the Audit Committee.

c) The related party details are disclosed in the notes to financial statements. The Register of Contracts containing the transactions in which Directors are interested is regularly placed before the Board for its approval.

d) To the extent possible, the Company has complied with the mandatory requirement of this clause.

e) Disclosure of Accounting Treatment in Preparation of Financial Statements

The financial statements for the year ended 31st March, 2022, have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.



The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

- f) Complied with the various statutory provisions and submitted the required information to the concerned authorities relating to the business affairs of the Company from time to time.
- g) The Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing regulations.
- h) M/s. ASN Associates, Practising Company Secretaries have certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI or Ministry of Corporate Affairs or any such statutory authority, is annexed to this Report as "Annexure A".
- i) The total fee paid to M/s. SARC & Associates, Chartered Accountants, Statutory Auditors of the Company on consolidated basis is Rs. 2,00,000/- for the Financial Year 2021-22.

j) Details of utilization of funds raised through preferential allotment or qualified Institutional placement as specified under Regulation 32(7A) :

During the year 2021-22, the Company has not raised any funds through preferential allotment or qualified institutional placement.

- k) In terms of the amendments made to the Listing Regulations, the Board of Directors confirmed that during the financial year, it has accepted all recommendations received from its mandatory committees.

l) Subsidiary and Associate Companies :

The Company has a Wholly owned Subsidiary M/s. Steel City Commodities Private Limited and an Associate Company M/s. Steel City Financial Services Private Limited, which is a NBFC registered with RBI.

m) CEO/ CFO Certification :

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chief Executive officer and Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Chief Executive Officer and the Chief Financial Officer is annexed to this Report as "Annexure B".

n) Code of Conduct :

The Board has laid down the Code of Conduct for its Directors and for Senior Management of the Company. All Board members and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management. A declaration signed by



the Chief Executive Officer & Managing Director to this effect is annexed to this Report as "Annexure C".

18. During the Financial Year 2020-21, the shares of the Company are not suspended on the Stock Exchanges.

19. **ADDRESS FOR CORRESPONDENCE :**

Steel City Securities Limited

49-52-5/4

Shantipuram,

Visakhapatnam – 530016

Andhra Pradesh, India

Phone : 0891-2796984/2720234

Fax : 0891-2720135 / 2762586

E-Mail: investorrelations@steelcitynettrade.com

Website : www.steelcitynettrade.com

CIN : L67120AP1995PLC019521



Annexure - A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with regulation 34(3) of the said Listing Regulations)

To
The Members,
M/s. Steel City Securities Limited
49-52-5/4, Shanthipuram,
Visakhapatnam-530016.

Based on our verification of the declarations provided to Steel City Securities Limited (hereinafter referred to as 'the Company') by the Directors (as enlisted in Table A) and the documents and details available on the website of the Ministry of Corporate Affairs, NSE Limited, and publicly available details of cases/litigations filed against any individuals as on 31.03.2022, we hereby certify that in our opinion, the Directors of the Company (as enlisted in Table-A) are neither debarred nor disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India or Ministry of Corporate Affairs or any such statutory authorities.

We have followed processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the declarations. We believe that the processes and practices, we followed provide a reasonable basis for our certification.

TABLE-A

Sl. No.	Name of the Director	DIN
1	K. Satyanarayana	00045387
2	Satish Kumar Arya	00046156
3	T. V. Srikanth	07992172
4	G. Satya Rama Prasad	00045351
5	G. Vijaya Kumar	09045817
6	E. Sridhar	09234140
7	B. Krishna Rao	00274709
8	G. V. Vandana	07548398

For ASN Associates
Company Secretaries

K. Surendra
Membership No : 34205
CP No : 12732
Date : 14.05.2022
Place : Visakhapatnam
UDIN : A034205D000294344



Annexure - B CEO AND CFO CERTIFICATION

To
The Board of Directors
Steel City Securities Limited
Visakhapatnam.

Dear Members of the Board,

We have reviewed the Financial Statements and the cash flow statement of Steel City Securities Limited for the year ended 31st March, 2022 and to the best of our knowledge and belief:

- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls. We have indicated to the Auditors and the Audit Committee :

- (i) that there are no significant changes in internal control over financial reporting during the year;
- (ii) that there are no significant changes in accounting policies during the year; and
- (iii) that there are no instances of significant fraud of which we have become aware.

For Steel City Securities Limited

Satish Kumar Arya
Managing Director

N. Ramu
Chief Financial Officer

Place : Visakhapatnam
Date : 14.05.2022



Annexure - C

DECLARATION FOR COMPLIANCE WITH CODE OF CONDUCT

To the Members of Steel City Securities Limited

I hereby declare that all the Members of the Board and Senior Management Personnel of the Company are aware of the provisions of the Code of Conduct laid down by the Board. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

Place : Visakhapatnam

Date : 14.05.2022

For Steel City Securities Limited

Satish Kumar Arya

Managing Director

(DIN : 00046156)



Annexure - 4 Auditor's Certificate

Auditor's Certificate on Compliance with Conditions of Corporate Governance requirements under SEBI(LODR) Regulations, 2015.

To
The Members of
Steel City Securities Limited
Visakhapatnam.

We have examined the compliance of conditions of Corporate Governance by M/s. Steel City Securities Limited ("the Company") for the year ended on 31st March, 2022 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the Company with National Stock Exchange of India Limited.

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

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, pursuant to the Listing Agreement of the Company with National Stock Exchange of India Limited.

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

For ASN Associates

Place : Visakhapatnam
Date : 14.05.2022

K. Surendra
Mem No: 34205
CP No : 12732
UDIN : A034205D000294355



ANNEXURE -5

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

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies
(Accounts) Rules, 2014]

(a) CONSERVATION OF ENERGY :

During the year under review and nature of activities which are being carried on by your Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy, Technology Absorption, are not applicable to the Company. However, the Company has access regarding Conservation of Energy and Technology Absorption, wherever it is applicable.

(b) TECHNOLOGY ABSORPTION :

Not Applicable.

(c) FOREIGN EXCHANGE EARNINGS AND OUTGO :

During the period under review, the Company has not earned any Foreign Exchange and also not incurred any expenditure in Foreign Exchange.

Particulars	2021-22	2020-21
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

For Steel City Securities Limited

Date : 14.05.2022
Place : Visakhapatnam

K. Satyanarayana
Executive Chairman
(DIN : 00045387)

Satish Kumar Arya
Managing Director
(DIN : 00046156)



Annexure - 6

Annual Report on Corporate Social Responsibility (CSR)

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

1. Brief Outline on CSR Policy of the Company :

Over the years, we have been focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover our business, but also that of the communities around us. Our Corporate Social Responsibility (CSR) Policy, thus, is not limited to philanthropy, but also includes large initiatives that lead to social development.

The objective of this policy is to set guiding principles for carrying out CSR Activities by the Company and also to set up the process of execution, implementation and monitoring of the CSR Activities to be undertaken by the Company.

2. Composition of the CSR Committee as on 31st March, 2022 :

The Company has a Board Committee (CSR committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. The Composition of the CSR committee of the Board of Directors of the Company is depicted below :

Sl.	Name of the Director	Designation/ Nature of Directorship	No. of CSR Committee Meetings held during the year	No. of CSR Committee Meetings attended during the year
1.	K. Satyanarayana	Chairman – Executive Chairman	3	3
2.	Satish Kumar Arya	Member- Managing Director	3	3
3.	G. Satya Rama Prasad	Member-Non-Executive Independent Director	3	1

3. Website Link where the composition of the CSR Committee , CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company :

https://www.steelcitynettrade.com/PDF/CSR_Policy.pdf



4. Details of Impact assessment of CSR Projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 :

Not Applicable

5. Details of Amount available for set off in pursuance of Sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any :

Sl. No	Particulars	Financial Year	Amount available for set-off from preceding Financial Years (in Rs.)	Amount required to be set –off for the Financial year, if any (in Rs.)
	Not Applicable			

6. Average Net Profit of the Company as per Section 135(5): Rs. 12,10,19,795.76 /-

7. (a) Two percent of the average net profit of the Company as per Section 135(5) : Rs. 24,20,395.92/-

(b) Surplus arising out of the CSR Projects or Programs or activities of the previous financial years : NIL

(c) Amount required to be set off for the Financial year, if any : Nil

8. Total CSR obligation for the Financial year (7a+7b+7c): Rs. 24,20,395.92 /-

9. (a) CSR amount unspent for the Financial year :

Total Amount spent for the Financial Year	Amount Unspent (Rs. In Million)				
	Total Amount transferred to unspent CSR Amount as per Section 135 (6)			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135 (5)	
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
		NIL			



(b) Details of CSR amount spent against ongoing projects for the Financial year :

Sl.	Name of the Project	Item from the list of Activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project (in Rs.)		Project Duration	Amount allocated for the project financial year (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to unspent CSR Account for the project as per Section 135 (6) (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation through Implementing Agency	
				State	Dist.						Name	CSR Registration no
						Not	Applicable					

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

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project	Mode of Implementation (Direct / Indirect)	Mode of Implementation through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	GVMC Sweekaram Education Society	Pomoting Education	Yes	Andhra Pradesh	Visakhapatnam	Rs. 7,00,000/-	Yes	NA	-
2.	Prime Minister National Relief Fund	Contribution to the prime ministers national relief fund (PMNRF)	-	-	-	Rs.11,20,396/-	-	-	-
3.	Lebenshilfe	setting up homes and hostels for orphans	Yes	Andhra Pradesh	Visakhapatnam	Rs. 3,00,000/-	Yes	NA	-
4.	Harekrishna Movement	Protection of National Heritage	Yes	Andhra Pradesh	Visakhapatnam	Rs. 3,00,000/-	Yes	NA	-

(d) Amount Spent on Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Not Applicable

(f) Total amount spent for the Financial year (8a+8b+8c) : Rs. 24,20,395.92 /-

(g) Excess Amount for Set – off (if any) :



Sl. No.	Particular	Amount (in Rs.)
(i)	Two Percent of Average Net Profit of the Company as per Section 135 (5)	Rs. 24,20,395.92/-
(ii)	Total amount spent for the Financial year	Rs. 24,20,395.92/-
(iii)	Excess amount spent for the Financial year [(ii) – (i)]	Rs. 0.00/-
(iv)	Surplus arising out of the CSR Projects or programs or activities of the previous financial years, if any	Rs. 0.00/-
(v)	Amount available for set off in succeeding financial years [(iii) – (iv)]	Rs. 0.00/-

10. (a) Details of unspent CSR amount for the preceding three financial years :

Sl. No	Preceding Financial Year	Amount transferred to unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the Reporting Financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135 (6), if any			Amount remaining to be spent in succeeding Financial years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of Transfer	
		Not Applicable					

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial years :

Sl. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial year	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project – Completed/ ongoing
				Not Applicable				



11. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset – wise details): None
 - (a) Date of Creation or acquisition of the capital asset (s) :
 - (b) Amount of CSR spent for creation or acquisition of capital asset :
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their addresses etc.
 - (d) Provide the details of the capital assets(s) created or acquired (including complete address and location of the capital asset) :
12. Specify the reasons(s), if the Company has failed to spend two percent of the average net profit as per Section 135 (5) : Not Applicable

Place : Visakhapatnam

For Steel City Securities Limited

Date : 14.05.2022

Satish Kumar Arya

Managing Director

(DIN : 00046156)

K. Satyanarayana

Chairman of the Committee

(DIN : 00045387)



Annexure - 7

Statement of Particulars of Employees Pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Employed throughout the Financial Year 2021-22

There were no employees receiving remuneration in the aggregate, more than One Crore and Two Lakhs Rupees in the Company during the Financial Year.

2. Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2021-22, and the comparison of the remuneration to Key Managerial Personnel(KMP) against the performance of the Company are as under :

Sl. No.	Name of Director/ KMP and Designation	Remuneration of Director KMP for the financial year 2021-22	% increase in Remuneration in the Financial Year 2021-22 (Rs. in Lakhs)	Ratio of remuneration of each Director/ KMP to median Employees
1.	K. Satyanarayana, Executive Chairman	36.00	9.09	14.92
2.	Satish Kumar Arya, Managing Director	36.00	20.00	14.92
3.	T. V. Srikanth, Whole Time Director	24.00	20.00	9.95
4.	N. Ramu, Chief Financial Officer	19.50	9.82	8.08
5.	M. Srividya, Company Secretary	8.10	23.88	3.36

- ii. The Median remuneration of Employees of the Company during the Financial Year was Rs. 2,41,263.66 /-
- iii. The Percentage decrease in the Median remuneration of employees for the Financial Year is (9.14) %.
- iv. In the financial year, there was a decrease of Rs. (24,258.36) /- p.a.in the median remuneration of employees.
- v. There were 360 permanent employees on the rolls and 144 probationers working with the Company as on 31st March, 2022.
- vi. Average percentile increase made in the salaries of employees other than the managerial Personnel in the financial year 2021-22 was (9.34) %, whereas there is an increase of Rs. 16,55,500/- in the managerial remuneration for the same financial year. The increase in remuneration was in line with the performance of the Company, industrial standards and individual employee performance.
- vii. **Affirmation that the remuneration is as per the remuneration policy of the Company :**
The Company affirms that the remuneration paid is as per the Nomination and Remuneration policy of the Company.



Annexure - 8

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March, 2022

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

To,

The Members,
M/s. Steel City Securities Limited
49-52-5 / 4, Sankarmatam Road,
Shantipuram,
Visakhapatnam - 530 016,
Andhra Pradesh, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Steel City Securities Limited (CIN: L67120 AP1995PLC019521) (here-in-after called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent in the manner and subject to the reporting made hereinafter :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Steel City Securities Limited for the Financial Year ended on 31st March, 2021 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made there under;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings
 - 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;



- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and the Listing Agreements entered into by the Company with the Stock Exchanges;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - *Not Applicable as the Company has not issued any ESOP during the financial year under review;*
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - *Not applicable as the Company has not issued any debt securities during the financial year under review;*
 - g) 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
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - *Not applicable and*
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - *Not applicable as the Company did not buy back its equity shares during the financial year under review;*
2. We are of the opinion that the Management has complied with the following Laws specifically applicable to the Company :
- (a) The Payment of Wages Act, 1936
 - (b) The Minimum Wages Act, 1948
 - (c) Employees Provident Funds and Miscellaneous Provisions Act, 1952
 - (d) The Payment of Bonus Act, 1965
 - (e) The Payment of Gratuity Act, 1972
 - (f) The Contract Labour (Regulation & Abolition) Act, 1970
 - (g) The Child Labour (Prohibition & Regulation) Act, 1986
 - (h) The Industrial Employment (Standing Order) Act, 1946
 - (i) The Employee Compensation Act, 1923
 - (j) Information Technology Act, 2000 and the Rules made there under

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with the Stock Exchanges

3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that :

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Changes in the composition of the Board of Directors took place during the period under review are in accordance with the provisions of the Companies Act, 2013.



- b) Adequate notices given to all Directors to schedule the Board Meetings, Agenda and detailed notes on Agenda were sent at least seven Days in advance either by way of hand delivery or through e-Mail communication, and a system exists for seeking and obtaining further information and clarifications on the Agenda Items before the meeting and for meaningful participation at the meeting.
- c) As per the Minutes of the Meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous / with requisite majority and no dissenting views have been recorded.
- d) We report that there is scope to improve the systems and processes in the Company to be commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- e) We further report that the Company has complied with the requirements under the Equity Listing Agreements entered into with NSE Limited;
- f) According to the information provided by the Management, the following are the pending cases against the Company:
- (i) Demands against the Company not acknowledged as debts, amounting to Rs. 19,82,144/- are pending at various courts/Forums.
- (ii) The company has received demand from Income Tax Authorities for Rs. 15,38,179/-. The Company has deposited an amount of Rs. 3,08,500/- for granting stay for collection of balance amount of demand till the disposal of Appeal by the Appellate Authorities.
- (iii) The company is in receipt of Show Cause notices from the Service Tax department for Rs. 1,15,28,598/- as on 31st March, 2022. The Company has deposited an amount of Rs. 13,49,186/- as a condition precedent of hearing the appeal before the Commissioner (Appeals) in case of order dated 09.01.2017.
- However, the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commissioner (Appeals) before CESTAT by depositing additional pre-deposit of Rs. 4,49,729/- on 01.08.2018.
4. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

For ASN Associates Company Secretaries

K Surendra

Partner

ACS No : 34205

C P No : 12732

UDIN : A034205D000294256

Place : Visakhapatnam

Date : 14.05.2022

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



'ANNEXURE -A'

To,
The Members,
M/s Steel City Securities Limited
49-52-5/4, Sankarmatam Road,
Shantipuram,
Visakhapatnam – 530 016,
Andhra Pradesh, India

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

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The Compliance by the Company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial record and books of accounts have not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For ASN Associates
Company Secretaries**

K Surendra

Partner

ACS No. : 34205

C P No. : 12732

UDIN : A034205D000294256

Place : Visakhapatnam

Date : 14.05.2022



ANNEXURE -9 MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW

The global economy grew at a strong 5.9% in FY21, after de-growth of 3.1% in the pandemic affected FY20. This remarkable rebound was helped by easing of pandemic-related restrictions and lockdowns and the accelerated vaccination drive across countries. Robust consumer spending and an uptick in investments also boosted this recovery. Global trade saw a sequential recovery all through 2021, not merely with respect to goods but also services, with the latter reaching pre-pandemic levels during Q4 FY21. Overall, the value of global trade reached a record \$28.5 trillion in FY21, registering a 25% increase vis-à-vis FY20 and 13% increase vis-à-vis the pre-pandemic level of FY19. The outbreak of the Delta variant and the more contagious Omicron variant did temper the growth somewhat. However, world economic output is slated to grow by a further 4.4% in FY22. The ongoing Russia-Ukraine conflict may further put pressure on global recovery metrics.

Source : WEO January 2022, UNCTAD February 2022

GLOBAL CAPITAL MARKETS

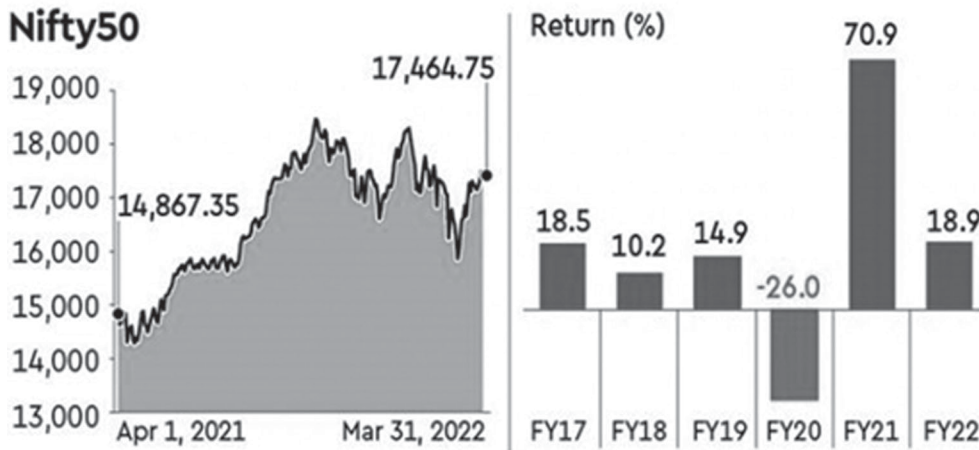
The year 2021 started on an optimistic note for the global capital markets, with the successful rollout of vaccines and release of pent-up demand acting as tailwinds. Further, central banks of all major economies remained accommodative, supporting strong performance at the capital markets. Although unpredictability returned towards the end of November due to the emergence of the new Omicron variant, it was short-lived. Despite monetary policy weighing on investor sentiment, corporate earnings remained robust. Global equities exited 2021 with positive returns. Developed markets outperformed emerging markets (EMs), with the MSCI World Index rising by 20.1%, on the back of positive returns for the third year in a row. MSCI Emerging Markets Index ended 2021 with a loss of 4.6% as a result of significant underperformance of Chinese equities, unfavourable regulatory actions and concerns around global policy tightening.

Across the globe, asset classes are witnessing unparalleled growth, driven by enhanced liquidity and prospects of a strong post-pandemic economic recovery. Retail investors are one of the primary drivers for this growth in liquidity. One of the key drivers of this trend is digitisation of financial products and currency, helping retail individuals open DEMAT/ broking accounts, buy global equities, gold, crypto, and others without having to leave their homes. Case in point, according to a report, in the US, retail participation in January 2021 saw around six million Americans download a retail brokerage trading app. They were part of 10 million+ Americans opening a new brokerage account in 2020.

INDIAN EQUITY MARKET

After witnessing some of the sharpest rallies in FY21, following the steep decline induced by the pandemic, Indian equity markets performed reasonably well in FY22. Indian equities were amongst the top performing markets globally. Despite persistent selling by the foreign portfolio investors, Indian equities did better than the global peers. The first half was dominated by Covid 2nd wave, unlocking, strong earnings recovery, however in the second half, the market had to deal with tight monetary policy, high inflation, geopolitical tension, and one of the highest-selling by the FIIs, but the market has shown strong resilience.

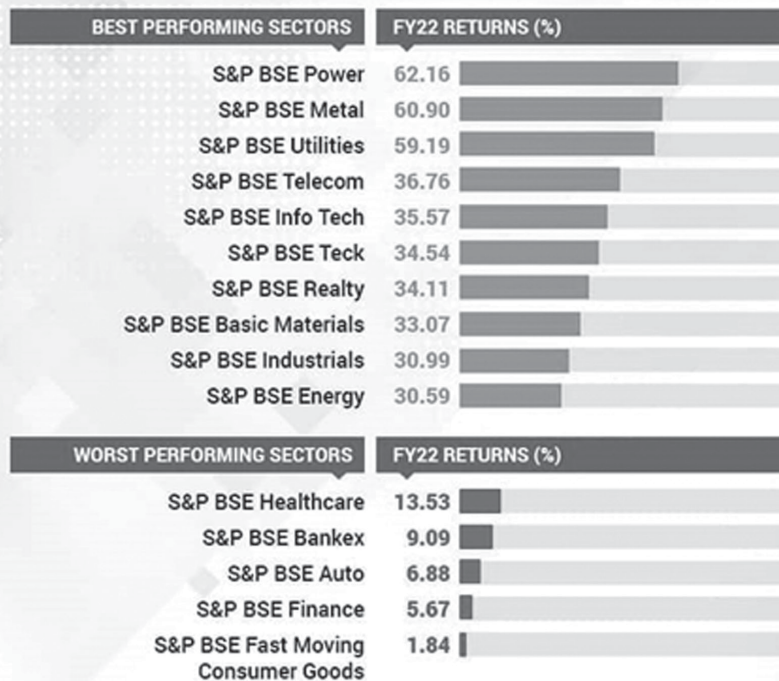
The benchmark Nifty yielded an above average return of ~18% for FY22. The broader markets did even better with Nifty Midcap yielding a return of ~23% and Nifty Small cap yielding a return of ~26% for the financial year. Metals rallied hard on the back of a global commodity rally, yielding ~54% return for the financial year. IT, Energy and Realty were other top outperformers.



Source : Bloomberg

Though all sectoral indices ended the year with positive returns, consumption (both discretionary and non-discretionary) was a notable underperforming sector. Retail credit (mostly private banks), FMCG, Auto, and Pharma were top underperformers.

SECTORAL RETURNS



Source : Moneycontrol

The benchmark Indian stock indices hit their historical highs on October 19, 2021 – that's when the markets changed direction and started declining. The hawkish stance of the US Federal Reserve on impending interest rate hikes, rising US Treasury yields, the increase in crude oil prices as economies opened up and demand climbed, and the impact of the Omicron variant of the Covid-19 virus were some of the factors that made investors start booking profit.



When markets tried to price in higher US interest rates, the flare up between Russia and Ukraine spoiled sentiment. When Russia invaded Ukraine on February 24, the markets witnessed their biggest intra-day decline in 2022. The Ukraine conflict brought challenges in terms of rising energy prices, which led crude oil to scale a 14-year high, metal and commodity prices going through the roof, and a surge in food prices, given that Russia and Ukraine are among the biggest suppliers of wheat, corn, edible oils and barley. These factors skewed returns, benefitting sectors that were favorably impacted by the war.

INDIAN BROKING INDUSTRY

Despite the pandemic induced sharp correction in the equity markets, a new wave of investors swarmed the markets thereafter, scouting for value picks armed with growing awareness and determined to harness the virtues of equity investing. This phenomenon has not only carried on, but has also become a sustained habit for the new age investors. The period between FY22 which saw a 48% CAGR in demat accounts, only shows what is in store for the future. Technological advances have also supported increasing participation in equity markets. Fintech companies are increasingly playing a significant role in the growth of the capital markets, backed by increased usage of smartphones and low cost high speed internet connection. Retail investors, especially millennials and Gen-Z, who are increasingly getting drawn to intuitive and extremely powerful mobile trading apps available in the market.

New-age brokers, who offer seamlessness and convenience are fast acquiring a growing base of young, new-to-market clients. The broking industry, on the whole, is transitioning from a volume-based to a order-based revenue model that offers services such as investment advisory and wealth management.

The role of the broker has evolved from being facilitators of trading to one providing a holistic platform that to invest in stocks, but offers other products helping them create wealth over their lifetimes which are the real requirement today.

Direct investments by retail investors in equities has been strong in FY22, with net inflows amounting to '2.1 trillion, nearly 1.9x of net inflows during the same period of the last fiscal.

Strong Retail Investor Participation in Secondary Markets :

(Rs. in Billion)	FY22			FY21			Growth (%)
	BUY	SELL	Net	BUY	SELL	Net	Net Investment
Cash Market	68,236	66,587	1,649	69,587	68,904	884	141.1%
Equity Derivatives	87,201	88,720	480	90,296	89,882	435	10.3%

Source : NSE March 2022 Market Pulse.

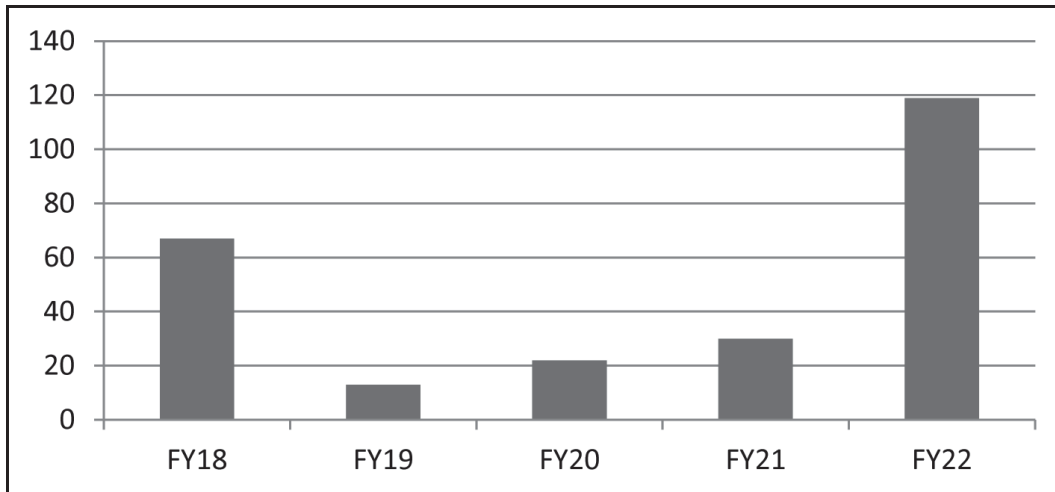
Note : Retail investors include individual domestic investors, NRIs, sole proprietorship firms and HUFs; Above table reports premium turnover for Options contracts in brackets indicate negative numbers

In FY22, 52 Indian companies raised '1.19 trillion through mainboard IPOs against 30 companies raising '312.68 billion in FY21, indicating positive sentiment that has been prompting corporates to tap the primary market for fund mobilisation. In fact, FY22 saw more funds raised through IPOs than anytime during the last decade. Amount raised through rights issues stood at '259 billion in FY22. Funds raised through Qualified Institutional Placements (QIPs) declined by 56.4% while amount raised by way of



preferential allotment increased by 50.6% during FY22, as compared to the same period in the previous year. Overall, FY22 saw ₹24 trillion being raised through IPOs, rights issues, QIPs and preferential issues.

Funds Raised through IPO over the last Five years :



Future Outlook

Global rating agencies are bullish about the country's economy, which is expected to register the fastest GDP growth in the Asia-Pacific region in FY23 (Source: S&P Global). India's GDP is estimated to grow at 7.8% for FY23 while the average GDP growth in the Asia-Pacific region is projected to be at 5.1% for 2022 and ~4.5% in 2023-2025. The fast pace of the growth will be aided by an increasing number of vaccinated individuals, gains from supply-side reforms, strengthening export growth (driven by PLI scheme as well as India emerging as an alternative sourcing destination), and increasing capital spending, especially on large scale infrastructure projects.

Few of the initiatives which will be stepping stones for the growth of our Company in coming years :

- One of the significant initiatives is to complete the interior work of the corporate Office which will be operational in year 2022. This will ease out the coordination between departments and serve customer at a faster pace. The operational cost will also come down which will reflect in higher profitability.
- We have migrated to market leading back office software Tech Excel, which will enhance the / our user experience.
- Advances in technology, increasing smartphone penetration, and increasing digitization at systemic level are expected to lead more retail investors to adopt and consume financial services through Online. We have launched new version of Mobile App (Steel city SMART). We strongly believe significant growth of business transactions through our Mobile app will grow day by day.
- Completely digital on-boarding process (Quick KYC) whereby clients can open SCSL Demat & Trading accounts instantly will also help to onboard new client's quickly and hassle free.
- We have plans to broaden and deepen geographical presence and expand distribution networks in the Northern and Western market of India
- Plans to set up over 35,000+ E-governance centers by FY23
- Focus on augmenting product line under the e-governance segment with emphasis on NPS promotion. Leveraging its TIN centers for distribution of third party products i.e. Loans, mutual funds, insurance schemes, credit cards and IPO's.



INDEPENDENT AUDITOR'S REPORT

To the Members of Steel City Securities Limited

Report on the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2022, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Evaluation of uncertain Tax Positions (Indirect Tax)

The Company has material uncertain tax positions (Indirect Tax) including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Auditor's Responses

Principal Audit Procedures

Obtained details of completed orders, Show-cause-notices and Demands as at 31st March, 2022



from the Management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

We have not come across any other matters to be considered as key matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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



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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's 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" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, as applicable.
 - e. On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting.
 - 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 :



- a. The Company has disclosed the pending litigations which would impact its financial position of the Company in its Financial Statements as of March 31, 2022 - Refer No.26
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **SARC & ASSOCIATES**
Chartered Accountants

FRN : 006085N

Place : VISAKHAPATNAM

Date : 14-05-2022

UDIN : 22206704AIZDOK3967

CHANDRA SEKHAR AKULA

(Partner)

Membership No. : 206704



“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone Ind As financial statements of the Company for the year ended March 31, 2022 :

- (i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets :
 - (a) (A) the company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) the company is maintaining proper records showing full particulars of intangible assets
 - (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals; According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
 - (e) No proceedings have been initiated during the year or are pending against the company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder
- (ii)
 - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable
 - (b) The Company has not been sanctioned working capital limits in excess of ¹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- (iii) The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub- section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable



(vii) In respect of statutory dues :

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable

- (b) Details of statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.

Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service tax and interest	5,39,77,462	FY 2012-2013 to FY 2014-2015	CESTAT, Hyderabad
The Income Tax Act, 1961	Penalty U/S 271(1)(c)	12,29,679	AY 2008-2009 & AY 2009-2010	Appellate Authority upto Commissioner Level

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The company has not declared wilful defaulter by any bank or financial institution or other lender
- (c) The term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.



- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) As per the information and explanation given to us, no whistle-blower complaints, received during the year by the company
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) As there are no ongoing Projects towards CSR activities and hence reporting under clause (xx)(b) of the Order is not applicable.

For **SARC & ASSOCIATES**
Chartered Accountants
FRN : 006085N

Place : VISAKHAPATNAM
Date : 14-05-2022

CHANDRA SEKHAR AKULA
(Partner)
Membership No. : 206704



"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of Steel City Securities Limited

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 STEEL CITY SECURITIES LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind-AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **SARC & ASSOCIATES**
Chartered Accountants
FRN : 006085N

Place : VISAKHAPATNAM
Date : 14-05-2022

CHANDRA SEKHAR AKULA
(Partner)
Membership No. : 206704



STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
I. ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) property plant and equipment	3	4,36,64,317.16	4,47,42,548.85
(ii) capital Work-in-progress	3(i)	3,23,15,659.32	1,68,55,062.00
(iii) Intangible Assets	4	11,34,767.57	-
(b) Deferred tax Asset (net)	5	2,16,86,703.00	2,03,97,800.57
(c) Financial Assets			
(i) Non Current Investments	6	6,84,14,000.00	6,84,14,000.00
(ii) Long term Loans and Advances		-	-
(d) Other non-current assets	7	10,36,83,298.21	9,13,32,141.00
2. Current Assets			
(a) Financial Assets			
(i) Trade Receivables	8	57,39,85,123.66	63,98,77,872.67
(ii) Cash and Cash Equivalents	9	72,03,15,074.45	53,80,01,041.54
(iii) Short-term loans and advances	10	2,86,70,080.68	2,35,57,228.27
(b) Other Current Assets	11	6,76,50,798.08	5,78,32,075.43
Total		1,66,15,19,822.13	1,50,10,09,770.32
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	12	15,10,70,950.00	15,10,70,950.00
(b) Other Equity		74,56,72,137.42	66,17,26,545.48
2. Non- Current Liabilities			
(a) Deferred tax liabilities (net)	5	-	-
3. Current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	13	8,43,172.00	84,61,732.00
(ii) Short-term borrowings	14	-	-
(iii) Trade Payables	15	50,19,14,040.81	45,22,87,690.44
(b) Other Current Liabilities	16	21,36,77,034.90	18,93,76,241.40
(c) Short-term Provisions	17	4,83,42,487.00	3,80,86,611.00
Total		1,66,15,19,822.13	1,50,10,09,770.32
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For **SARC & ASSOCIATES**

Chartered Accountants

Firm Reg. No. 006085N

CHANDRA SEKHAR AKULA

Partner

Membership NO. 206704

For **STEEL CITY SECURITIES LIMITED**

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N RAMU
CHIEF FINANCIAL OFFICER

M SRIVIDYA
COMPANY SECRETARY

PLACE : VISAKHAPATNAM

DATE : May 14, 2022



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2022

Particulars	Note No	Year ended 31-Mar-22 Rs.	Year ended 31-Mar-21 Rs.
I. Revenue from Operations	18	63,54,01,217.12	52,34,85,991.25
II. Other Income	19	2,70,77,210.53	2,55,83,845.62
III. Total Income (I+II)		66,24,78,427.65	54,90,69,836.87
IV. Expenses			
Expenditure on Trading Operations	20	83,37,084.16	1,12,67,923.16
Impairment of Financial Instruments	21	40,16,313.92	1,42,75,830.22
Employee benefits expense	22	12,34,33,337.50	10,76,41,318.23
Finance Costs	23	49,27,884.66	50,16,830.71
Depreciation and amortisation expense	3 & 4	64,29,457.56	67,73,410.38
Other expenses	24	33,78,09,716.72	27,73,00,227.02
Loss/(profit) on Sale of Assets	-	-	-
Total Expenses		48,49,53,794.52	42,22,75,539.72
V. Profit before tax (III-IV)		17,75,24,633.13	12,67,94,297.15
VI. Tax Expense			
1) Current Tax		4,67,41,800.00	3,67,04,750.00
2) Tax relating to prior years		28,04,858.63	4,54,957.90
3) Deferred tax		(12,88,902.43)	(35,59,565.73)
Total Tax Expenses		4,82,57,756.20	3,36,00,142.17
VII. Profit for the year (V-VI)		12,92,66,876.93	9,31,94,154.97
VIII. Other Comprehensive income			
A) (i) Items that will not be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will not be reclassified subsequently to statement of profit and loss		-	-
B) (i) Items that will be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will be reclassified subsequently to statement of profit and loss		-	-
IX. Total comprehensive income for the period		12,92,66,876.93	9,31,94,154.97
X. Earnings per share (of Rs.10/- each)	25		
a) Basic		8.56	6.17
b) Diluted		8.56	6.17
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg. No. 006085N

CHANDRA SEKHAR AKULA

Partner
Membership NO. 206704

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N RAMU
CHIEF FINANCIAL OFFICER

M SRIVIDYA
COMPANY SECRETARY

PLACE : VISAKHAPATNAM
DATE : May 14, 2022



STATEMENT OF CHANGES IN EQUITY

Equity Share Capital	Amount in Rs.
Equity Shares of Rs.10/- issued, subscribed and fully paid up	
Balance as on 01 April, 2020	15,10,70,950.00
Changes in Equity Share Capital due to prior "year errors"	-
Restated balance at the beginning of the previous reporting year	15,10,70,950.00
Changes in Equity Share Capital "during the year"	-
Balance as at 31 March, 2021	15,10,70,950.00
Changes in Equity Share Capital due to "prior year errors"	-
Restated balance at the beginning of the current reporting year	15,10,70,950.00
Changes in Equity Share Capital "during the year"	-
Balance as at 31 March, 2022	15,10,70,950.00

Other Equity

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2020	10,44,47,825.07	9,92,62,532.14	39,50,36,223.30	59,87,46,580.51
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	10,44,47,825.07	9,92,62,532.14	39,50,36,223.30	59,87,46,580.51
Profit for the year	-	-	9,31,94,154.97	9,31,94,154.97
Other comprehensive Income for the year	-	-	-	-
Transfer to General Reserve	-	93,19,415.50	(93,19,415.50)	-
Dividend Paid	-	-	(3,02,14,190.00)	(3,02,14,190.00)
Balance as at March 31, 2021	10,44,47,825.07	10,85,81,947.64	44,86,96,772.77	66,17,26,545.48

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2021	10,44,47,825.07	10,85,81,947.64	44,86,96,772.78	66,17,26,545.49
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	10,44,47,825.07	10,85,81,947.64	44,86,96,772.78	66,17,26,545.49
Profit for the year	-	-	12,92,66,876.93	12,92,66,876.93
Transfer to General Reserve	-	1,29,26,687.69	(1,29,26,687.69)	-
Dividend Paid	-	-	(4,53,21,285.00)	(4,53,21,285.00)
Balance as at March 31, 2022	10,44,47,825.07	12,15,08,635.33	51,97,15,677.02	74,56,72,137.42

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA
Partner
Membership No. 206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

Particulars	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
A. Cash flow from Operating Activities		
Net Profit Before Tax	17,75,24,633.13	12,67,94,297.15
Adjustment for :		
Depreciation and amortization expense	64,29,457.56	67,73,410.38
Finance Costs	49,27,884.66	50,16,830.71
Interest Income	(2,67,89,210.53)	(2,55,83,845.62)
Dividend Income	(2,88,000.00)	-
Diminution in value of Investments	-	-
Operating Profit before Working Capital Changes	16,18,04,764.82	11,30,00,692.62
Trade Receivables	6,58,92,749.01	(22,23,34,231.93)
Other Receivables	(1,87,52,912.05)	6,69,59,478.50
Other Assets	(98,18,722.65)	(50,33,956.63)
Trade Payables	4,96,26,350.37	7,40,64,074.86
Other Payables & Provisions	3,45,56,669.50	2,64,93,799.25
Change in Working Capital	12,15,04,134.18	(5,98,50,835.95)
Cash generated from Operations	28,33,08,899.00	5,31,49,856.67
Income tax paid	(4,82,57,756.20)	(3,36,00,142.17)
Net Cash generated from Operating Activities	23,50,51,142.80	1,95,49,714.50
B. Cash flow from Investing Activities		
Purchase of Fixed Assets	(2,19,46,590.76)	(1,92,97,036.78)
Proceeds from Sale of Fixed Assets	-	5,00,000.00
Proceeds from Sale/(purchase) of Investments	-	-
Income from Investments	2,88,000.00	-
Interest Received	2,67,89,210.53	2,55,83,845.62
Net cash generated from investing activities	51,30,619.77	67,86,808.84
C. Cash flow from Financing Activities		
Interest paid	(49,27,884.66)	(50,16,830.71)
Proceeds from borrowings	(68,00,000.00)	68,00,000.00
Repayment of borrowings	(8,18,560.00)	10,10,925.00
Dividend paid including tax on dividend	(4,53,21,285.00)	(3,02,14,190.00)
Net cash used in Financing activities	(5,78,67,729.66)	(2,74,20,095.71)
D. Net Increase / (Decrease) in Cash & Cash Equivalents	18,23,14,032.91	(10,83,572.37)
E. Cash & Cash Equivalents (Opening) as on 1st April 2021 / 1st April 2020	53,80,01,041.56	53,90,84,613.93
F. Cash & Cash Equivalents (Closing)	72,03,15,074.47	53,80,01,041.56
Reconciliation of Cash and Cash Equivalents with the Balance Sheet :		
Cash in hand	13,88,010.60	15,03,684.49
Cheques, draft on hand	45,15,294.45	93,66,493.40
Balances with Schedule banks in current accounts	20,24,52,258.38	3,92,15,904.45
in deposit accounts	51,01,90,088.02	48,60,69,840.20
in unclaimed dividend accounts	17,69,423.00	18,45,119.00

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAH AKULA

Partner
Membership No. 206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



Note No.1 : Company Over View

Steel City Securities Limited ("the Company") was incorporated on 22nd February 1995. The Company is primarily engaged in the business as stock broker in securities trading in various stock exchanges and acting as a depository participant. The Company also offers Services of E-Governance. The Shares of the Company are listed on National Stock Exchange of India Limited (NSE). The company's registered office is at 49-52-5/4, Shanthipuram, Sankarmatam Road, Visakhapatnam-530016 Andhra Pradesh, India.

Note No.2 : Significant Accounting Policies

a. Basis of Preparation, Presentation of financial statements and Statement of compliance

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

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

c. Basis for measurement

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following material items which have been measured at fair value :

Items	Measurement Basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Investments	Quoted price
Trade Receivables	Fair Value

d. Use of Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

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 and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes :



a) Income taxes :

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

b) Deferred taxes :

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforward becomes deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

c) Defined benefit plans and compensated absences

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

d) Expected credit losses on financial assets

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

e) Measurement of fair values

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net defined benefit (asset)/ liability	Fair Value of planed assets less present value of defined benefit obligation.



f) Revenue Recognition

i. Operating Income

Income from Trading Operations, which comprises of Brokerage is accounted for up to the date of last settlement in the reporting period and TINFC's Operations are accounted on transaction basis.

ii. Interest Income

Revenue is recognized on a time proportion basis taking into account the amount of deposit and a rate applicable

iii. Dividend Income

Revenue is recognized when the shareholders right to receive payment is established by the balance sheet date.

g Expenses

Expenses are accounted on accrual basis and Provisions made for all known liabilities and losses on available information.

Trading losses arising out of communication & computer disruptions and other operational reasons are treated as trading expenses

h Operating Leases

Assets given/taken on lease in which a significant portion of risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the statement of Profit and loss on a straight line basis over the period of lease unless the payments/receipts are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

i Property, Plant and Equipment (including intangible assets)

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation/ Amortization

Depreciation has been charged off under useful life Straight Line Method as per Schedule II to the Companies Act 2013.



The estimated useful lives used for computation of depreciation are as follows

Buildings	60 years
Furniture & Fixtures	10 years
Electrical Equipment	10 years
Computers	3-6 years
Vehicles	8 years
Cycles	10 years
Other Assets	5 years
Software	3 years

j Financial Instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets and liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and loss.

ii. Classification and subsequent measurement

Financial assets :

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL (Fair value through Profit and Loss)
- FVOCI (Fair value through Other Comprehensive Income)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL :

- 'the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 'the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

'On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.



Financial assets at FVTPL :

-These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Debt investments at FVOCI :

-These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss

-Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI :

-These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

- Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at amortised cost :

-These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities :

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

iii. Derecognition

Financial assets :

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities :

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.



Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on :

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit - impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data :

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise
- it is probable that the borrower will enter bankruptcy or other financial reorganisation: or
- the disappearance of an active market for a security because of financial difficulties

Except for debts due from Central/State Governments, Central/State Government Departments and Central/State Autonomous Bodies, Public Sector Undertakings for which provision/loss allowances are measured on case to case basis.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

NO. OF DAYS OF DUE AS PER THE OBSERVED CREDIT PATTERN FOLLOWED BY THE COMPANY	% OF DEFAULT AS OBSERVED BY THE MANAGEMENT FOR DP TRADE RECEIVABLES	% OF DEFAULT AS OBSERVED BY THE MANAGEMENT FOR SECURITIES TRADE RECEIVABLES
Not due 0-90 days	0.00%	0.00%
0-90 days 91-180 days	10.00%	10.00%
91-180 days 181-365 days	10.00%	10.00%
181-365 days	10.00%	10.00%
>365 days 365 days	75.00%	25.00%

Uncollectible

ii. Impairment of non financial assets

The Company's non-financial assets, other than other tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.



k Investments in Subsidiaries and Associates

The Company has elected to measure equity investments in Subsidiaries and Associates at cost as per Ind As-28

l Cash and Cash Equivalents

Cash and Cash Equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.

m Income taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognised in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred Tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantially enacted by the Balance Sheet Date. Deferred Tax Asset are reviewed at each Balance Sheet date for their realisability.

n Investments

- (i) Investments that are intended to be held for more than a year are classified as Long-term Investments. All other investments are classified as current investments.
- (ii) Long-term investments are carried at cost, unless there is diminution other than temporary in their value.
- (iii) Current Investments are valued at lower of cost or market value.

o Retirement Benefits

- i. The Company's contribution to Provident Fund is recognized on accrual basis.



- ii. In accordance with applicable Indian laws, the Company provides for gratuity a defined benefit retirement plan (Gratuity plan) covering all employees. The Gratuity plans provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. The Company has an employees' gratuity fund managed by LIC of India.
- iii. Leave encashment liability is provided on the basis of actual valuation made by the management at the end of each calendar year.

p Borrowing Cost

Borrowing Cost include interest and amortisation of ancillary cost such as loan processing charges etc. incurred in connection with the arrangement of borrowings to the extent they regarded as an adjustment to the interest cost.

q Provisions and Contingencies

Provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent Liabilities are disclosed in the notes. Contingent Assets are not recognised in the financial statements.

r Earnings per Share

The Basic earnings per share is computed by dividing the net profit / loss attributable to the Equity Shareholders for the year by the weighted average no of equity shares outstanding during the reporting year.

For the purpose of calculating diluted earnings per share the net profit/loss for the year attributable to equity shareholders and weighted average no of shares outstanding during the reporting year is adjusted for the effect of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or antidilutive, each issue of series of potential equity shares is considered separately rather than aggregate.

s Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of :

- a. changes during the period in operating receivables and payables transactions of a cash nature;
- b. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- c. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

t Dividend payable

Dividend is recognised at the time of payment to equity shareholders.



Note No.3 : Property plant and equipment

Description	Gross Block at Cost					Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Up to 31.03.2021	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land	1,82,66,670.00	-	-	1,82,66,670.00	-	-	-	-	-	1,82,66,670.00	1,82,66,670.00
Buildings	62,02,030.00	-	-	62,02,030.00	16,68,014.28	60 Yrs	1,03,367.17	-	17,71,381.45	44,30,648.55	45,34,015.72
Furniture & Fixtures	74,41,783.38	3,57,664.62	7,87,056.00	70,12,392.00	26,89,746.56	10 Yrs	7,35,270.94	7,87,056.00	26,37,961.50	43,74,430.50	47,52,036.82
Electrical Equipments	1,58,23,199.33	16,65,428.40	26,11,455.00	1,48,77,172.73	92,53,088.34	10 Yrs	14,36,355.07	26,11,455.00	80,77,988.41	67,99,184.32	65,70,110.99
Computers	1,19,40,074.81	12,50,167.76	33,55,257.18	98,34,985.39	59,94,770.80	3-6 Yrs	27,01,513.86	33,55,257.18	53,41,027.48	44,93,957.91	59,45,304.01
Vehicles	90,88,322.26	18,33,401.32	10,24,843.00	98,96,880.58	46,07,790.51	8 Yrs	12,98,030.51	10,24,843.00	48,80,978.02	50,15,902.56	44,80,531.75
Cycles	4,550.00	-	-	4,550.00	1,658.01	10 Yrs	455.00	-	2,113.01	2,436.99	2,891.99
Other Assets	3,96,328.47	1,73,375.58	99,497.00	4,70,207.05	2,05,340.90	5 Yrs	83,276.82	99,497.00	1,89,120.72	2,81,086.33	1,90,987.57
Total	6,91,62,958.25	52,80,037.68	78,78,108.18	6,65,64,887.75	2,44,20,409.40		63,58,269.37	78,78,108.18	2,29,00,570.59	4,36,64,317.16	4,47,42,548.85

Note No.3(i) : Capital work-in-Progress

Description	Gross Block at Cost					Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Up to 31.03.2021	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Buildings WIP	1,68,55,062.00	1,54,60,597.32	-	3,23,15,659.32	-	-	-	-	-	3,23,15,659.32	1,68,55,062.00
Total	1,68,55,062.00	1,54,60,597.32	-	3,23,15,659.32	-	-	-	-	-	3,23,15,659.32	1,68,55,062.00

CWIP aging schedule

CWIP	Amount in CWIP for a period of			Total
	Less than One Year	1-2 Years	2-3 Years	
Projects in Progress	1,54,60,597.32	1,34,14,950.00	28,24,360.00	3,23,15,659.32
Projects temporarily suspended	-	-	-	-

Note No. 4 : Intangible Assets

Description	Gross Block at Cost					Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Up to 31.03.2021	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Software	-	12,05,955.76	-	12,05,955.76	-	3 Yrs	71,188.19	-	71,188.19	11,34,767.57	-
Total	-	12,05,955.76	-	12,05,955.76	-	-	71,188.19	-	71,188.19	11,34,767.57	-

Note : There was no change in the useful life of the Assets on our review at the reporting date.



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 5		
Deferred tax Asset (net)		
Tax effect of items constituting deferred tax Liability		
- Provision for Doubtful Debts	-	-
Tax effect of items constituting deferred tax Liability (A)	-	-
Tax effect of items constituting deferred tax Asset		
- Depreciation on fixed assets	18,95,064.86	16,16,988.32
- Provision for Debts	1,97,91,638.14	1,87,80,812.25
- Impairment of Investments	-	-
Tax effect of items constituting deferred tax Asset (B)	2,16,86,703.00	2,03,97,800.57
Deferred Tax Asset (net) (B-A)	2,16,86,703.00	2,03,97,800.57
Deferred Tax Asset is computed, taking into consideration that there would be adequate profits in future years to be adjusted		

Reconciliation of Estimated Tax expense at tax rate to Income Tax Expense reported in the Statement of Profit & Loss		
Profit before Tax	17,75,24,633.13	12,67,94,297.15
Applicable Income Tax Rate	25.168%	25.168%
Expected Income Tax Expense	4,46,79,399.67	3,19,11,588.71
Effect of Income exempt from tax		
Effect of expenses / provisions not deductible in determining taxable profit	7,73,497.91	12,33,595.56
Adjustment related to tax of prior years	28,04,858.63	4,54,957.90
Reported Income Tax Expense	4,82,57,756.20	3,36,00,142.17

Note No.6		
Non Current Investments		
Other investments (unquoted) -Trade Investment in Equity Instruments		
Subsidiary :		
10,00,000(PY 10,00,000) equity shares of Rs.10/- each of Steel City Commodities Pvt Ltd at cost	5,54,89,000.00	5,54,89,000.00
Associate :		
960000 (PY 960000) equity shares of Rs.10/- each of Steel City Financial Services Pvt Ltd at cost	1,29,00,000.00	1,29,00,000.00
Other investments (unquoted) - Non-Trade		
2,500 (PY 2500) equity shares of Rs.10/- each of Steel City Infotech Pvt Ltd	25,000.00	25,000.00
	6,84,14,000.00	6,84,14,000.00
Provision for Diminution in value of Investments		
	6,84,14,000.00	6,84,14,000.00
Book Value of Unquoted Investments	6,84,14,000.00	6,84,14,000.00



Notes on Standalone Financial Statements

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 7		
Other Non- Current Assets		
Unsecured, considered good		
Interest free Security Deposits with Exchanges	9,01,43,596.59	6,67,25,000.00
V Sat Deposits with Exchanges	50,000.00	50,000.00
Telephone Deposits	8,31,688.62	8,31,939.00
Rental Deposits	74,14,569.00	70,11,732.00
Electricity Deposits	8,79,529.00	8,77,311.00
Other Deposits	43,63,915.00	1,58,36,159.00
	10,36,83,298.21	9,13,32,141.00

Note No. 8		
Trade Receivables		
Trade Receivables Unsecured, considered good	12,91,95,201.66	21,01,51,479.23
Less : Provision for Debts	7,06,26,177.39	6,66,09,863.47
	5,85,69,024.27	14,35,41,615.76
Trade Receivables Secured, considered good	51,54,16,099.39	49,63,36,256.91
	57,39,85,123.66	63,98,77,872.67

Trade Receivables Ageing Schedule for the year Ended March 31, 2022							
	Outstanding for following periods from due date of payment						Total (Rs)
	Less than 3 months	3 months- 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	51,54,16,099.39	4,02,660.94	2,20,686.50	-	6,40,13,765.05	6,45,58,089.17	64,46,11,301.05
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Less: Provision for debts							7,06,26,177.39
Total Trade Receivable							57,39,85,123.66

Trade Receivables Ageing Schedule for the year Ended March 31, 2021							
	Outstanding for following periods from due date of payment						Total (Rs)
	Less than 3 months	3 months- 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	51,48,65,966.43	55,72,105.31	1,81,10,046.64	10,29,19,383.05	6,50,20,234.71	-	70,64,87,736.14
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Less: Provision for debts							6,66,09,863.47
Total Trade Receivable							63,98,77,872.67



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 9		
Cash and Cash Equivalents		
Cash on hand	13,88,010.60	15,03,684.49
Cheques, drafts on hand and transit	45,15,294.45	93,66,493.40
Balances with Banks		
- in current accounts	20,24,52,258.38	3,92,15,904.45
- Unclaimed dividend account	17,69,423.00	18,45,119.00
- in deposit accounts (Earmarked)		
Against Bank Guarantees & other commitments	46,26,90,088.02	43,85,69,840.20
Deposit original maturity less than 12 months	4,75,00,000.00	4,75,00,000.00
Deposit original maturity more than 12 months	-	-
	72,03,15,074.45	53,80,01,041.54

- a) deposit accounts includes an amount of Rs.27.00 Cr placed with banks (HDFC Bank Rs.21.50 cr, Karur vysya bank Rs. 4.00 Cr and Karnataka bank Rs.1.50 Cr) pledged against the bank guarantees issued and loan provided by them
- b) Section 125 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.

Note No. 10		
Short-term loans and advances		
Unsecured, considered good		
Advance to suppliers	99,56,036.50	14,36,792.50
Other loans and advances		
Advance to employees	18,45,477.14	16,00,977.14
Receivable from E-Governance Centres	1,55,01,540.89	1,27,38,803.81
Receivable from Authorised Persons/Dp Franchises	13,67,026.15	42,05,654.82
Others	-	35,75,000.00
	2,86,70,080.68	2,35,57,228.27

Note No. 11		
Other Current Assets		
Interest accrued on Fixed Deposits & Others	1,15,89,677.02	1,30,45,303.55
Other Receivables	64,11,651.77	64,90,275.96
Advance Income Tax	4,25,10,726.50	3,38,27,279.13
Prepaid expenses	71,38,742.79	44,69,216.79
	6,76,50,798.08	5,78,32,075.43

Note No. 12		
Share Capital		
Authorised		
2,50,00,000 (PY 2,50,00,000) Equity Shares of Rupees 10/- each	25,00,00,000.00	25,00,00,000.00
Total	25,00,00,000.00	25,00,00,000.00
Issued subscribed and paid up capital		
1,51,07,095(PY 1,51,07,095) Equity Shares of Rupees 10/- each, fully paid-up	15,10,70,950.00	15,10,70,950.00
	15,10,70,950.00	15,10,70,950.00

Notes :

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :

Particulars	Opening Balance	Changes during the period	Closing Balance
Equity shares of Rs.10/- each :			
Period ended 31st March, 2022			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.	15,10,70,950	0	15,10,70,950
Period ended 31st March, 2021			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.	15,10,70,950	0	15,10,70,950



(i) Reconciliation of number of Shares

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
Equity shares				
Opening Balance	1,51,07,095	15,10,70,950	1,51,07,095	15,10,70,950
Issued during the period	0	-	0	-
Closing Balance	1,51,07,095	15,10,70,950	1,51,07,095	15,10,70,950

(ii) Rights attached to equity shares :

The company has only one class of Equity Shares having at par value of INR 10/- per share. Each equity holder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders except in case of interim Dividend

During the Year, the per share interim dividend paid to equity shareholders was Rs. 2.00 (previous year Rs.2.00) and final Dividend for FY 2020-2021 paid to equity shareholders is Rs.1.00 (previous year Rs.0.00)

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

(iii) List of shareholders holding more than 5% of the total number of shares issued by the Company :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
K. Satyanarayana	12,54,446	8.30	15,94,000	10.55
Satish Kumar Arya	10,51,000	6.96	10,46,000	6.92
G. Sirisha	24,43,731	16.18	24,43,731	16.18
G. Vishnu Vandana	25,75,500	17.05	25,75,500	17.05

(iv) There are no shares bought back by the Company during the period of Five Years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/preference shares or employee stock option issued by the Company.

(v) Shares held by Promoters at the end of the year

Promoter Name	No. of Shares	% of total shares	% of Change during the year
K. Satyanarayana	12,54,446	8.30%	(2.14)
Satish Kumar Arya	10,51,000	6.96%	0.04
G. Sirisha	24,43,731	16.18%	-
G. Vishnu Vandana	25,75,500	17.05%	-

Promoter Group	No. of Shares	% of total shares	% of Change during the year
Steel City Financial Services Private Limited	5,00,000	3.31%	0.00
K. Mahalakshmi	70,299	0.47%	0.03
K. V. S. Ramesh Babu	5,00,500	3.31%	2.29
Nirmala Devi	1,37,000	0.91%	0.12
Sachin Arya	5,59,943	3.71%	0.00
K. Geeta Vara Lakshmi	15,000	0.10%	0.00
K. Mrudula	63,500	0.42%	0.03
Alka Rajput	26,200	0.17%	0.00
Suman Arya	1,600	0.01%	0.00
Tentu Venkata Triveni	2,42,428	1.60%	1.60
Pyla Madhu	51,300	0.34%	0.00



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 13		
Long-term borrowings		
Secured		
Construction Loan from Karnataka Bank Ltd	-	68,00,000.00
Vehicle Loans from Banks & Others	8,43,172.00	16,61,732.00
	8,43,172.00	84,61,732.00

Vehicle Loan Received from Financial Institutions, which is payable in monthly installments i.e.Rs. 46,936
Interest paid on Construction loan taken from Karnataka Bank Ltd of Rs.6,29,061/- was capitalised and transferred to Building Wok in Progress.

Note No. 14		
Short-term borrowings		
Secured		
Loan repayable on demand from banks	-	-
Unsecured	-	-
Total	-	-

- Working Capital facilities from The Karnataka Bank Ltd is secured by hypothecation of Trade Receivables (50% paripasu) , Collateral Security of specific Immovable Property belongs to the Company, personal guarantee of Directors and Properties belonging to Directors/ others aggregated of Rs.2.15 Cr.
- Working Capital facilities from Karur Vysya Bank is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors and Properties belonging to Directors/others aggregated of Rs.6.95 Cr.
- Working Capital facilities from The HDFC Bank Ltd is secured by hypothecation of Trade Receivables (50% paripasu) , personal guarantee of Directors and Properties belonging to Directors/ others aggregated of Rs.4.45 Cr.

Note No. 15		
Trade payables		
Trade Payables including margin money from trade clients - MSME	-	-
Trade Payables including margin money from trade clients	50,19,14,040.81	45,22,87,690.44
	50,19,14,040.81	45,22,87,690.44

In order to secure the performance by the clients of their obligations, commitments & liabilities to the company they placed the margins with the Company

Trade Payables due for payment

Trade Payables Aging Schedule

FY 2021-2022

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	50,19,14,041	-	-	-	50,19,14,040.81
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-

FY 2020-2021

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
MSME	-	-	-	-	-	-
Others	-	45,22,87,690	-	-	-	45,22,87,690.44
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-



Notes on Standalone Financial Statements

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 16		
Other Current Liabilities		
Liability for expenses, Authorised Persons/franchises	8,59,26,875.75	7,19,60,747.85
Margin money from E-Governance Centres	6,75,98,951.28	6,34,55,211.61
Liability against E-Governance Processings	5,83,81,784.87	5,21,15,162.94
Unclaimed dividends	17,69,423.00	18,45,119.00
	21,36,77,034.90	18,93,76,241.40

- There is no interest payable on Vsat Deposits taken from Franchises and the same was paid to Vsat Providers for purchase of VSATs
- Unpaid dividends do not include any amount due and outstanding to be credited to investor education and protection funds
- During the Year, an amount of Rs.1,89,900.00 has been transferred to Investor Education and Protection Fund

Note No. 17		
Short term provisions		
Provision for Employee benefits		
- provision for gratuity	16,00,687.00	13,81,861.00
Provision for Taxation	4,67,41,800.00	3,67,04,750.00
	4,83,42,487.00	3,80,86,611.00

Provision is made for gratuity based on actuarial valuation. All actuarial gains and losses arising during the year are recognized in the Profit and Loss Account for the year

Note No. 18		
Revenue from Operations		
Income from Broking Operations	33,98,09,634.25	28,27,34,779.05
Income from DP Operations	2,06,65,847.99	1,63,53,744.63
Income from E-Governance Operations	21,81,73,973.27	18,56,02,241.51
Interest from Margin Trading Operations	5,67,51,761.61	3,87,95,226.06
	63,54,01,217.12	52,34,85,991.25

Note No. 19		
Other Income		
Interest from Fixed Deposits & Others	2,67,89,210.53	2,55,83,845.62
Interest on IT Refund	-	-
Profit(loss) on sale of Investments	-	-
Bad Debts Recoveries	-	-
Dividend Income	2,88,000.00	-
	2,70,77,210.53	2,55,83,845.62

Note No. 20		
Expenditure on Trading Operations		
Transaction Charges	52,57,375.39	48,40,567.81
Trading Expenses	46,458.35	1,62,633.02
Annual Subscription to Exchanges	1,00,000.00	1,00,000.00
Insurance	1,39,857.00	1,98,407.50
V Sat, Bandwidth Charges and Maintenance	10,76,391.88	24,19,961.81
Batteries, UPS Maintenance	17,17,001.54	35,46,353.02
	83,37,084.16	1,12,67,923.16

Trading Expenses are expenses on purchase and sale of shares wherever there was operational problems due to communication & computer disruptions, data entry operator's mistakes, share deliveries mismatch and other reasons, to come out of the long or short struck positions.

Note No. 21		
Impairment of Financial Instruments		
Trade Receivables	40,16,313.92	1,42,75,830.22
Investments	-	-
	40,16,313.92	1,42,75,830.22



Notes on Standalone Financial Statements

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 22		
Employee benefits expense		
Salaries, wages and bonus	11,41,51,580.00	9,98,68,701.98
Contribution to;		
- Provident Fund and other Funds	69,50,268.00	62,19,345.00
- Gratuity	12,18,826.00	9,17,324.00
Staff Welfare Expenses	11,12,663.50	6,35,947.25
	12,34,33,337.50	10,76,41,318.23

- Salaries, wages and bonus includes an amount of Rs. 96,00,000/- (PY Rs.83,00,000/-) paid to the Directors as Remuneration as per Schedule V of the Companies Act, 2013
- Provident Fund : Company pays fixed contribution to Provident Fund at predetermined rates to the EPF fund maintained by Employees' Provident Fund Organisation, Government of India. Company obligation is limited to payment of contribution at the pre determined rates. The settlement to the employees shall be made by the EPF organisation.
- Gratuity: Payable to employees, who render continuous service of 5 years or more, on separation, @15 days of last drawn pay of each completed year of service.
- Leave encashment: Leave encashment amount is paid to the employees at the end of the each calendar year.

Note No. 23		
Finance Cost		
Interest Expenses	7,70,170.26	11,49,810.02
BG Commission and Charges	40,65,670.40	37,72,443.69
Other Borrowings cost	92,044.00	94,577.00
	49,27,884.66	50,16,830.71

Note No. 24		
Other Expenses		
A C Maintenance	1,58,960.00	1,04,860.00
Advertisements	96,083.80	89,556.74
Bad Debts Written off	8,42,836.47	-
Bank Charges & Payment Gateway Charges	18,65,667.43	16,08,218.94
Books & Periodicals	2,63,831.00	2,88,174.00
Business Development	41,70,571.56	33,27,288.96
Computer and software maintenance	85,16,995.16	83,84,028.86
Conveyance	2,02,012.00	2,16,471.00
CSR Expenses	24,20,396.00	25,91,604.00
Current Repairs to lease hold buildings	15,50,000.00	14,50,000.00
Demat charges	(6,296.05)	(22,460.55)
Donations	4,34,117.00	-
E-Governance Commission	14,64,10,706.11	12,45,88,882.32
Electricity Charges and maintenance	56,39,136.68	55,41,670.93
Fee to Company Secretary	1,26,000.00	1,26,000.00
Fees & Charges, Filing fee	30,59,637.69	23,20,198.67
Generator maintenance	2,49,433.00	2,04,123.50
Insurance	12,92,383.92	1,92,072.08
Legal, Consultancy and Professional fee	12,38,673.55	24,88,562.52
Office Maintenance	37,01,371.10	33,99,151.27
Office Rent	2,14,07,060.00	2,05,72,673.00
Payment to Auditors (Refer Note No.24.1)	12,20,584.00	11,94,120.00
Printing & Stationery, Postage and Other Charges	13,64,227.02	11,16,942.02
Sub-brokerage	12,49,35,735.76	9,15,66,262.44
Subscriptions	8,45,536.51	5,05,255.86
Telephone and Internet Charges & Maintenance	38,87,913.86	39,67,445.72
Tours and Travels	2,83,574.80	1,43,557.00
Transportation charges	97,561.00	89,662.00
Vehicle maintenance	14,32,474.93	11,26,224.04
Xerox and coolers maintenance	1,02,532.42	1,19,681.70
	33,78,09,716.72	27,73,00,227.02



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 24.1		
Payment to Auditors includes payments to Statutory Auditors towards		
Statutory Audit Fee	2,00,000.00	2,00,000.00
Taxation Matters	-	-
Certifications	-	-
	2,00,000.00	2,00,000.00

Note No. 25		
Earnings per share (EPS)		
Earnings (as reported)	12,92,66,876.93	9,31,94,154.97
Shares		
No. of Shares	1,51,07,095.00	1,51,07,095.00
No. of Weighted Average Shares	1,51,07,095.00	1,51,07,095.00
Earnings per Equity Share (Rs.)		
- Basic	8.56	6.17
- Diluted	8.56	6.17

Note No. 26

Contingent Liabilities and commitments (to the extent not provided for) (in Rupees) :

Sl. No.	Particulars	As at 31 st March 2022	As at 31 st March 2021
1	Bank Guarantees in favour of Clearing Corporations of Stock Exchanges issued by Banks on behalf of the Company against 50% of Cash Margin i. e . Fixed Deposit Receipts	52,95,00,000	48,95,00,000
2	Cases against the Company not acknowledged as debts (See Note No. 26.1(a))	19,82,144	1,24,54,388
3	Income tax Demands pending in appeals (See Note No. 26.1(b))	15,38,179	N I L
4	Show cause notices from Service tax department for which the Company has filed replies	1,15,28,598	1,15,28,598
5	Service tax demands, pending in appeal (See Note No. 26.1(c))	5,39,77,462	5,39,77,462

26.1

- Demands against the Company not acknowledged as debts, amounting to Rs.19,82,144/- are pending at various courts/forums.
- The Company has deposited an amount of Rs. Rs.3,08,500/- for granting stay for collection of Balance of Amount of Demand till the disposal of Appeal by the Appellate Authorities.
- Service tax demands against the Company;
 - The Company has deposited an amount of Rs. Rs.13,49,186/- as a condition precedent of hearing the appeal before The Commissioner (Appeals) in case of order dated 09.01.2017. However the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commission (Appeals) before CESTAT by depositing additional Pre-deposit of Rs.4,49,729/- on 01.08.2018



Note No. 27

Provision for Taxation has been made after taking into account, the difference between depreciation in the accounts and the depreciation allowable as per the Income Tax Act, 1961 and other deductions /additions allowable/disallowable under the Income Tax Act, 1961.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section.

Note No. 28

Due to outbreak of Covid-19 globally and in India, the Company has carried out its initial assessment of the likely adverse impact on economic environment and financial risk because of Covid-19. The Company is in the business of Stock Broking, DP Operations and E-Governance activities. The management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long- term. The Company estimates to recover the carrying amount of/all its assets including receivables and loans in the ordinary course of business based on information available on current economic conditions. These estimates are subject to uncertainty and may be affected by the severity and duration of pandemic. The Company is continuously monitoring any material change in future economic conditions.

Note No. 29

Related party disclosures :

Nature of Relationship	Name of the Party
(a) Related Parties where Control Exists :	
Subsidiaries	Steel City Commodities Private Limited
Group Companies	Steel City Financial Services Private Limited
(b) Other related Parties :	
Key Management Personnel	Mr. K. Satyanarayana Mr. Satish Kumar Arya Mr. T.V. Srikanth



(c) Significant transaction with related parties : (in Rupees)

Sl No.	Nature of Relationship	Name of the Related Party	Remu- Neration	Nature of Transaction				
				Corporate guarantee given	Advance Returned	Advance Taken	Dividend Paid/(received)	Brokerage Received
1	Subsidiary Company	Steel City Commodities Private Ltd	0.00	0.00	84,213.98	84,213.98	0.00	0.00
2	Associate Company	Steel City Financial Services Private Ltd	0.00	0.00	0.00	0.00	15,00,000/ (2,88,000)	7,725.72
3	Executive Chairman	K Satyanarayana	36,00,000.00	0.0	0.00	0.00	47,83,338.00	28,691.58
4	Managing Director	Satish Kumar Arya	36,00,000.00	0.00	0.00	0.00	31,38,000.00	4,72,423.90
5	Director – IT	T V Srikanth	24,00,000.00	0.00	0.00	0.00	0.00	0.00
6	Director	G Vishnu Vandana	0.00	0.00	0.00	0.00	77,26,500.00	0.00
7	Relative of Key Management – Wife of Sri K Satyanarayana	K Mahalakshmi	0.00	0.00	0.00	0.00	2,10,897.00	4,789.23
8	Relative of Key Management – son of Sri K Satyanarayana	K S V Ramesh Babu	7,67,000.00	0.00	0.00	0.00	4,72,000.00	10,574.53
9	Relative of Key Management – wife of Sri Satish Kumar Arya	Nirmala Devi Arya	0.00	0.00	0.00	0.00	3,56,400.00	0.00
10	Relative of Key Management – wife of Sri Satish Kumar Arya	Sachin Arya	0.00	0.00	0.00	0.00	16,79,829.00	859.24
11	Relative of Key Management – wife of Sri T V Srikanth	G Sirisha	0.00	0.00	0.00	0.00	73,31,193.00	35,133.00
12	Relative of Key Management – Husband of Smt G Vishnu Vandana	P Madhu	24,00,000.00	0.00	0.00	0.00	1,53,900.00	0.00
	Total		1,27,67,000.00	0.00	84,213.98	84,213.98	2,70,64,057.00	5,60,197.20

Note : Transactions between group companies comprise of extension and return of temporary adjustment of common clients accounts as identified by the Company's management from the Holding/Subsidiary Company's Account.

(d) Amount Due to / (from) related Parties (Rs.)

Nature of Transaction	Due to /(From)
Steel City Commodities Private Limited	-
Steel City Financial Services Private Limited	-
K Satyanarayana	-
Satish Kumar Arya	-
T V Srikanth	-



Note No. 30

Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees, which is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the financial statements :

	31 st March, 2022 (Rs.)	31 st March, 2021 (Rs.)
Net Asset / (Liability) recognised in the Balance Sheet :		
Present Value of Defined Obligation	1,44,66,570	1,35,75,216
Fair Value of Plan Assets	1,28,65,883	1,20,63,718
Funded Status [Surplus / (Deficit)]	(16,00,687)	(15,11,498)
Unrecognised Past Services Costs	-	-
Net Asset / (Liability) recognised in the Balance Sheet	(16,00,687)	(15,11,498)
Change in Defined Benefit Obligations (DBO) during the year :		
Present Value of DBO at the beginning of the Year	1,35,75,216	1,24,94,836
Current Service Cost	14,22,584	13,06,549
Interest Cost	8,97,652	8,05,918
Actuarial (Gains) / Losses	-	-
Past Service Cost	-	(2,76,135)
Benefits Paid	(9,41,605)	(6,41,686)
Actuarial loss / (gain) on obligation (balancing figure)	(4,87,277)	(1,14,266)
Present Value of DBO at the end of the Year	1,44,66,570	1,35,75,216
Change in Fair Value of Assets during the Year :		
Plan Assets at the beginning of the Year	1,20,63,718	1,10,30,299
Expected Return on Plan Assets	7,83,026	8,33,984
Actual Company Contributions	9,07,286	10,00,000
Actuarial Gain / (Loss)	53,458	(1,58,879)
Benefits Paid	(9,41,605)	(6,41,686)
Plan Assets at the end of the Year	1,28,65,883	1,20,63,718
Actual Return on Plan Assets	8,36,484	6,75,105
Composition of Plan Assets is as follows :		
Government Bonds	Not Received	Not Received
Debentures and Bonds	Not Received	Not Received
Fixed Deposits	Not Received	Not Received
Others	Not Received	Not Received
* - Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer	1,28,65,883	1,20,63,718
Assumption used in accounting for Gratuity Plan :		
Discount Rate	7.25	6.85
Salary Escalation Rate	5.00	5.00
Expected rate of return on plan assets	6.75	6.50



Note No. 31

Corporate Social Responsibility

- a) Gross Amount required to be spent by the Company during the year Rs.24,20,396.00
b) Total Amount spent during the year is Rs.24,20,396.00 as detailed below :

Particulars	Amount (Rs.)
Amount Contributed to Sweekaram Education Society of Greater Visakhapatnam Municipal Corporation, Visakhapatnam	7,00,000.00
Amount Contributed to Prime Minister National Relief Fund	11,20,396.00
Amount Contributed to The Akshaya Patra Foundation, Visakhapatnam	3,00,000.00
Amount Contributed to Lebenshilfe, Visakhapatnam	3,00,000.00
Total	24,20,396.00

Note No. 32

Segment Reporting

1. Business Segment :

- (i) The business segment has been considered as the primary segment.
(ii) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system
(iii) The Company's primary business comprises of two business segments viz., Stock Broking & DP Operations and E-Governance Operations
(iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
(v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information.

Information about the primary segment

Particulars	Stock Broking & DP	E-Governance	Grand Total
A. Segment Revenue			
External Segment	44,43,04,454.38	21,81,73,973.27	66,24,78,427.65
Internal Segment	-	-	-
Total Revenue	44,43,04,454.38	21,81,73,973.27	66,24,78,427.65
B. Segment Results Profit/(Loss)	13,13,01,256.26	5,26,52,834.43	18,39,54,090.69
Less : Depreciation			64,29,457.56
Less : Income Taxes (Current, Deferred Tax)			4,82,57,756.20
Profit/(Loss) After Tax			12,92,66,876.93
C. Segment Assets	1,47,32,18,298.18	18,83,01,523.95	1,66,15,19,822.13
D. Segment Liabilities	62,32,68,183.54	14,15,08,551.17	76,47,76,734.71
E. Capital Expenditure	2,13,86,522.00	5,60,068.76	2,19,46,590.76
F. Depreciation	47,20,108.40	17,09,349.16	64,29,457.56

2. Geographical Segment

Further the Company has no geographical segments which are subject to different risk and returns. Hence, no separate disclosure in terms of Indian Accounting Standard 108 on segment reporting is considered necessary.



Note No.33

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021.

Particulars	Numerator	Denominator	31 st March 2022	31 st March 2021	Variance
1. Current Ratio	Current Assets	Current Liabilities	1.82	1.82	(1.74)
2. Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.00	(90.97)
3. Debt Service Coverage Ratio	Earnings available for debt services (PAT+Interest+Dep+/- Non Cash Items)	Interest+Debt Principal Payments & Accrued	11.53	23.77	(51.50)
4. Return on Equity(ROE)	PAT	Shareholder's Equity	14.42	11.47	25.72
5. Inventory turnover ratio	Cost of Sales	Average Stock	NA	NA	NA
6. Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1.09	1.04	5.10
7. Trade payables turnover ratio	purchase of services and other expenses	Average Trade Payables	0.99	0.97	2.93
8. Net capital turnover ratio	Revenue	Working Capital	105.71	94.75	11.57
9. Net Profit Ratio	Net Profit	Revenue	19.51	16.97	14.96
10. Return on Capital employed	earning before interest and taxes	capital employed	20.35	16.22	25.46
11. Return on investment	Income from Investments	Time weighted Average Investments	0.42	-	~

Note No. 34

Previous Period figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification/disclosures

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA

Partner
Membership NO.206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of STEEL CITY SECURITIES LIMITED.

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of STEEL CITY SECURITIES LIMITED ("the Holding Company"), its subsidiary i.e. Steel City Commodities Private Limited and its associate entity i.e. Steel City Financial Services Private Limited (the Holding Company, its subsidiary and its associate Company constitute 'the Group') which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information ('the Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 their consolidated state of affairs of the Company's at March 31, 2022, of consolidated profit, their consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the *Code of Ethics issued by ICAI*, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. 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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Evaluation of uncertain Tax Positions (Indirect Tax)

The Company has material uncertain tax positions (Indirect Tax) including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.



Auditor's Responses

Principal Audit Procedures

Obtained details of completed orders, Show-cause-notices and Demands as at 31st March, 2022 from the Management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provisions and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

We have not come across any other matters to be considered as key matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the director's report but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, change in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to



Auditors Report on Consolidated Financial Statements

fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) We did not audit the financial statements / financial information of M/s.Steel City Commodities Private Limited subsidiary, whose financial statements / financial information reflect total assets of Rs. 1518.28 Lakhs as at 31st March, 2022, total revenues of Rs.42.59 Lakhs and net cash flows amounting to Rs.31.42 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs.72.06 Lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of associate Company Steel City Financial Services Private Limited,



Auditors Report on Consolidated Financial Statements

whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and its associate Company none of the directors of the Group is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Holding Company, its subsidiary companies and its associate Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and its associate Company incorporated in India.



Auditors Report on Consolidated Financial Statements

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

- a. The Group has disclosed the impact of pending litigations on the Consolidated financial position of the Group in its Consolidated financial statements as of March 31, 2022 - Refer Note No.27
 - b. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- (d) (i) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



Auditors Report on Consolidated Financial Statements

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports

For **SARC & ASSOCIATES**
Chartered Accountants
FRN : 006085N

Place : VISAKHAPATNAM

Date : 14-05-2022

UDIN : 22206704AIZEDI3398

CHANDRA SEKHAR AKULA
(Partner)
Membership No. : 206704



“Annexure A” to the Independent Auditor’s Report

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

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 STEEL CITY SECURITIES LIMITED (“the Holding Company”), its subsidiary i.e. Steel City Commodities Private Limited and its associate i.e. Steel City Financial Services Private Limited incorporated in India as of March 31, 2022 in conjunction with our audit of the Consolidated financial statements of the Holding Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and its associate Company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the respective internal control over financial reporting criteria established by the Holding Company, its subsidiary company and its associate Company incorporated in India 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 (the ‘Guidance Note’). 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act and the Guidance Note, to the extent applicable to an audit of internal financial controls over financial reporting. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary i.e. Steel City Commodities Private Limited and its associate i.e. Steel City Financial Services Private Limited incorporated in India has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

For **SARC & ASSOCIATES**
Chartered Accountants
FRN : 006085N

Place : VISAKHAPATNAM
Date : 14-05-2022

CHANDRA SEK HAR AKULA
(Partner)
Membership No : 206704



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note No	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
I. ASSETS			
1. Non Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) property, plant and equipment	3	4,44,22,042.05	4,57,75,299.99
(ii) capital Work-in-progress	3(i)	7,32,92,249.32	1,68,55,062.00
(iii) Intangible Assets	4	11,34,767.57	-
(iv) Goodwill on Consolidation		4,54,89,000.00	4,54,89,000.00
(b) Deferred tax Asset (net)	5	2,32,11,386.75	2,15,95,690.83
(c) Financial Assets			
(i) Non Current Investments	6	5,88,16,232.77	5,16,10,216.99
(ii) Long term Loans and Advances		-	-
(d) Other non-current assets	7	11,17,68,928.21	10,04,97,771.00
2. Current Assets			
(a) Financial Assets			
(i) Current Investments	8	17,39,049.20	24,89,999.50
(ii) Trade Receivables	9	57,63,80,536.04	64,34,71,426.52
(iii) Cash and Cash Equivalents	10	78,13,71,444.54	59,59,15,224.72
(iv) Short-term loans and advances	11	3,08,50,570.74	6,25,52,295.39
(b) Other Current Assets	12	6,98,71,807.14	5,99,97,441.94
Total		1,81,83,48,014.34	1,64,62,49,428.88
II. EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	13	15,10,70,950.00	15,10,70,950.00
(b) Other Equity		89,71,85,277.97	80,43,18,610.90
2. Non- Current Liabilities			
(a) Deferred tax liabilities (net)	5	-	-
3. Current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	14	8,43,172.00	84,61,732.00
(ii) Short-term borrowings	15	-	-
(iii) Trade Payables	16	50,19,14,040.81	45,22,87,690.44
(b) Other Current Liabilities	17	21,80,87,869.57	19,18,39,692.53
(c) Short-term Provisions	18	4,92,46,704.00	3,82,70,753.00
Total		1,81,83,48,014.34	1,64,62,49,428.88
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA

Partner
Membership NO.206704
UDIN : 2206704AIEDI3398

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2022

Particulars	Note No	Year ended 31-Mar-22 Rs.	Year ended 31-Mar-21 Rs.
I. Revenue from Operations	19	63,63,30,431.93	52,40,17,673.28
II. Other Income	20	3,04,06,699.41	2,93,59,953.59
III. Total Income (I+II)		66,67,37,131.34	55,33,77,626.87
IV. Expenses			
Expenditure on Trading Operations	21	83,37,084.16	1,24,69,201.53
Impairment of Financial Instruments	22	51,94,088.42	65,81,439.26
Employee benefits expense	23	12,37,17,154.50	10,79,14,602.23
Finance Costs	24	49,27,884.66	51,06,133.98
Depreciation and amortisation expense	3 & 4	67,04,483.81	70,70,107.12
Other expenses	25	33,80,11,552.66	27,82,84,864.12
Loss/(profit) on Sale of Assets		-	-
Total Expenses		48,68,92,248.21	41,74,26,348.24
V. Profit before tax (III-IV)		17,98,44,883.13	13,59,51,278.63
VI. Tax Expense			
1) Current Tax		4,76,46,017.00	3,68,88,892.00
2) Tax relating to prior years		28,32,625.76	4,38,719.80
3) Deferred tax		(16,15,695.92)	(17,89,148.38)
Total Tax Expenses		4,88,62,946.84	3,55,38,463.42
VII. Profit after tax and before Share in Associate (V-VI)		13,09,81,936.28	10,04,12,815.21
VIII. Share of Profit in Associate (net)		72,06,015.78	53,31,919.96
IX. Profit for the year before Non-controlling Interest (VII-VIII)		13,81,87,952.07	10,57,44,735.17
X. Non-controlling Interest		-	-
XI. Profit for the Year		13,81,87,952.07	10,57,44,735.17
XII. Other Comprehensive income			
A) (i) Items that will not be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will not be reclassified subsequently to statement of profit and loss		-	-
B) (i) Items that will be reclassified subsequently to statement of profit and loss		-	-
(ii) Income tax relating to items that will be reclassified subsequently to statement of profit and loss		-	-
XIII Total comprehensive income for the period		13,81,87,952.07	10,57,44,735.17
XIV. Earnings per share (of Rs.10/- each)	26		
a) Basic		9.15	7.00
b) Diluted		9.15	7.00
Overview & Significant Accounting policies	1 & 2		
The accompanying notes are an integral part of these Financial Statements			

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA

Partner
Membership No. 206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



STATEMENT OF CHANGES IN EQUITY

Equity Share Capital	Amount in Rs.
Equity Shares of Rs.10/- issued, subscribed and fully paid up	
Balance as on 01 April, 2020	15,10,70,950.00
Changes in Equity Share Capital due to "prior year errors"	-
Restated balance at the beginning of the previous reporting year	15,10,70,950.00
Changes in Equity Share Capital "during the year"	-
Balance as at 31 March, 2021	15,10,70,950.00
Changes in Equity Share Capital due to "prior year errors"	-
Restated balance at the beginning of the current reporting year	15,10,70,950.00
Changes in Equity Share Capital "during the year"	-
Balance as at 31 March, 2022	15,10,70,950.00

Other Equity

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2020	10,44,47,825.07	11,65,81,791.12	50,77,58,449.54	72,87,88,065.73
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	10,44,47,825.07	11,65,81,791.12	50,77,58,449.54	72,87,88,065.73
Profit for the year	-	-	10,57,44,735.17	10,57,44,735.17
Other comprehensive Income for the year	-	-	-	-
Transfer to General Reserve	-	1,00,41,281.52	(1,00,41,281.52)	-
Dividend Paid	-	-	(3,02,14,190.00)	(3,02,14,190.00)
Balance as at March 31, 2021	10,44,47,825.07	12,66,23,072.64	57,32,47,713.19	80,43,18,610.90

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 1, 2021	10,44,47,825.07	12,66,23,072.64	57,32,47,713.19	80,43,18,610.90
Changes in accounting policy or prior year errors	-	-	-	-
Restated balance at the beginning of the previous reporting year	10,44,47,825.07	12,66,23,072.64	57,32,47,713.19	80,43,18,610.90
Profit for the year	-	-	13,81,87,952.07	13,81,87,952.07
Other comprehensive Income for the year	-	-	-	-
Transfer to General Reserve	-	1,30,98,193.63	(1,30,98,193.63)	-
Dividend Paid	-	-	(4,53,21,285.00)	(4,53,21,285.00)
Balance as at March 31, 2022	10,44,47,825.07	13,97,21,266.27	65,30,16,186.63	89,71,85,277.97

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAH AKULA

Partner
Membership No. 206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

Particulars	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
A. Cash flow from Operating Activities		
Net Profit Before Tax	17,98,44,883.13	13,59,51,278.63
Adjustment for :		
Depreciation and amortization expense	67,04,483.81	70,70,107.12
Finance Costs	49,27,884.66	51,06,133.98
Interest Income	(2,97,56,942.53)	(2,77,50,699.62)
Dividend Income	(5,76,451.00)	(20,808.00)
Diminution in value of Investments	(19,835.97)	(88,27,606.85)
Operating Profit before Working Capital Changes	16,11,24,022.09	11,15,28,405.26
Trade Receivables	6,70,90,890.49	(22,08,09,946.31)
Other Receivables	1,80,61,664.98	6,67,04,811.39
Other Assets	(91,21,158.69)	30,09,889.28
Trade Payables	4,96,26,350.37	6,63,82,642.47
Other Payables & Provisions	3,75,50,921.53	2,30,23,220.84
Change in Working Capital	16,32,08,668.68	(6,16,89,382.33)
Cash generated from Operations	32,43,32,690.77	4,98,39,022.93
Income tax paid	(4,91,89,740.33)	(3,37,68,046.07)
Net Cash generated from Operating Activities	27,51,42,950.44	1,60,70,976.86
B. Cash flow from Investing Activities		
Purchase of Fixed Assets	(6,29,23,180.76)	(1,92,97,036.78)
Proceeds from Sale of Fixed Assets	-	5,00,000.00
Proceeds from Sale/(purchase) of Investments	7,70,786.27	1,62,01,865.10
Income from Investments	5,76,451.00	20,808.00
Interest Received	2,97,56,942.53	2,77,50,699.62
Net cash used in investing activities	(3,18,19,000.96)	2,51,76,335.94
C. Cash flow from Financing Activities		
Interest paid	(49,27,884.66)	(51,06,133.98)
Proceeds from borrowings	(68,00,000.00)	68,00,000.00
Repayment of borrowings	(8,18,560.00)	10,10,925.00
Dividend paid including tax on dividend	(4,53,21,285.00)	(3,02,14,190.00)
Net cash used in Financing activities	(5,78,67,729.66)	(2,75,09,398.98)
D. Net Increase / (Decrease) in Cash & Cash Equivalents	18,54,56,219.82	1,37,37,913.82
E. Cash & Cash Equivalents (Opening) as on 1st April 2021 / 1st April 2020	59,59,15,224.72	58,21,77,310.90
F. Cash & Cash Equivalents (Closing)	78,13,71,444.54	59,59,15,224.72
Reconciliation of Cash and Cash Equivalents with the Balance Sheet :		
Cash in hand	16,90,924.60	15,17,323.49
Cheques, draft on hand	45,15,294.45	94,86,493.40
Balances with Schedule banks		
in current accounts	20,49,26,258.24	4,37,16,992.40
in deposit accounts	56,84,69,544.25	53,93,49,296.43
in unclaimed dividend accounts	17,69,423.00	18,45,119.00

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA
Partner
Membership No. 206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



Note No. 1 : Company Over View

Steel City Securities Limited (“the Company”) was incorporated on 22nd February 1995. The Company is primarily engaged in the business as stock broker in securities trading in various stock exchanges and acting as a depository participant. The Company also offers Services of E-Governance. The Shares of the Company are listed on National Stock Exchange of India Limited (NSE). The company’s registered office is at 49-52-5/4, Shanthipuram, Sankarmatam Road, Visakhapatnam-530016 Andhra Pradesh, India.

Note No. 2 : Significant Accounting Policies

A. BASIS OF PREPARATION, PRESENTATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE

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

The Balance Sheet, Statement of Profit and Loss (including other comprehensive income) and Statement of changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (“the Act”). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS. Amounts in the financial statements are presented in Indian Rupees.

B. FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency.

C. BASIS FOR MEASUREMENT

The financial statements have been prepared on the historical cost convention and on accrual basis except for the following material items which have been measured at fair value :

Items	Measurement Basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Investments	Quoted price
Trade Receivables	Fair Value

D. USE OF ESTIMATES

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

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 and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods



affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes :

a) Income taxes :

Significant judgements are involved in determining the provision for income taxes including judgement on whether tax positions are probable of being sustained in tax assessments. A tax assessment can involve complex issues, which can only be resolved over extended time periods.

b) Deferred taxes :

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carryforward becomes deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

c) Defined benefit plans and compensated absences

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

d) Expected credit losses on financial assets

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

e) Measurement of fair values

Some of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).



When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Items	Measurement Basis
Certain Financial Assets and Liabilities	Fair Value
Net defined benefit (asset) / liability	Fair Value of planned assets less present value of defined benefit obligation

F) REVENUE RECOGNITION

i. Operating Income

Income from Trading Operations, which comprises of Brokerage is accounted for up to the date of last settlement in the reporting period and TINFC's Operations are accounted on transaction basis.

ii. Interest Income

Revenue is recognized on a time proportion basis taking into account the amount of deposit and a rate applicable.

iii. Dividend Income

Revenue is recognized when the shareholders right to receive payment is established by the balance sheet date.

G) EXPENSES

Expenses are accounted on accrual basis and Provisions made for all known liabilities and losses on available information.

Trading losses arising out of communication & computer disruptions and other operational reasons are treated as trading expenses.

H) OPERATING LEASES

Assets given/taken on lease in which a significant portion of risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Lease payment/Income made under operating leases are charged to the statement of Profit and loss on a straight line basis over the period of lease unless the payments/receipts are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

I) PROPERTY, PLANT AND EQUIPMENT (including intangible assets)

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly



attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation/ Amortization

Depreciation has been charged off under useful life Straight Line Method as per Schedule II to the Companies Act 2013.

The estimated useful lives used for computation of depreciation are as follows

Buildings	60 years
Furniture & Fixtures	10 years
Electrical Equipment	10 years
Computers	3-6 years
Vehicles	8 years
Cycles	10 years
Other Assets	5 years
Software	3 years

J. FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets and liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and loss.

ii. Classification and subsequent measurement

Financial assets :

On initial recognition, a financial asset is classified as measured at

- amortised cost;



- FVTPL (Fair value through Profit and Loss)
- FVOCI (Fair value through Other Comprehensive Income)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL :

- 'the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 'the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

'On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment).

This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

Financial assets at FVTPL :

- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Debt investments at FVOCI :

- These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss.
- Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI :

- These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.
- Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial assets at amortised cost :

- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and



losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities :

'Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method

iii. Derecognition

Financial assets :

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities :

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on :

- financial assets measured at amortised cost

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit - impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data :

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 365 days or more;



- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise.

- it is probable that the borrower will enter bankruptcy or other financial reorganisation : or

- the disappearance of an active market for a security because of financial difficulties

Except for debts due from Central/State Governments, Central/State Government Departments and Central/State Autonomous Bodies, Public Sector Undertakings for which provision/loss allowances are measured on case to case basis.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

NO. OF DAYS OF DUE AS PER THE OBSERVED CREDIT PATTERN FOLLOWED BY THE COMPANY	% OF DEFAULT AS OBSERVED BY THE MANAGEMENT FOR DP TRADE RECEIVABLES	% OF DEFAULT AS OBSERVED BY THE MANAGEMENT FOR SECURITIES TRADE RECEIVABLES
Not due	0.00%	0.00%
0-90 days		
91-180 days	10.00%	10.00%
181-365 days	10.00%	10.00%
>365 days	10.00%	10.00%
365 days	75.00%	25.00%

Uncollectible

ii. Impairment of non financial assets

The Company's non-financial assets, other than other tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

K. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The Company has elected to measure equity investments in Subsidiaries and Associates at cost as per Ind As-28

L. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents includes cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amount of cash and which are subject to insignificant risk of changes in value.



M. INCOME TAXES

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, Other Comprehensive Income or directly in equity, when they relate to items that are recognised in the respective line items.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

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

Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred Tax on account of timing difference between taxable and accounting income is provided using the tax rates and tax laws enacted or substantially enacted by the Balance Sheet Date. Deferred Tax Asset are reviewed at each Balance Sheet date for their realisability.

N. INVESTMENTS

- (i) Investments that are intended to be held for more than a year are classified as Long-term Investments. All other investments are classified as current investments.
- (ii) Long-term investments are carried at cost, unless there is diminution other than temporary in their value.
- (iii) Current Investments are valued at lower of cost or market value.

O. RETIREMENT BENEFITS

- i. The Company's contribution to Provident Fund is recognized on accrual basis.



- ii. In accordance with applicable Indian laws, the Company provides for gratuity a defined benefit retirement plan (Gratuity plan) covering all employees. The Gratuity plans provides a lumpsum payment to vested employees, at retirement or termination of employment, an amount based on the respective employees last drawn salary and the years of employment with the Company. The Company has an employees' gratuity fund managed by LIC of India.
- iii. Leave encashment liability is provided on the basis of actual valuation made by the management at the end of each calendar year.

P. BORROWING COST

Borrowing Cost include interest and amortisation of ancillary cost such as loan processing charges etc. incurred in connection with the arrangement of borrowings to the extent they regarded as an adjustment to the interest cost.

Q. PROVISIONS AND CONTINGENCIES

Provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reasonable estimate can be made. Contingent Liabilities are disclosed in the notes. Contingent Assets are not recognised in the financial statements.

R. EARNINGS PER SHARE

The Basic earnings per share is computed by dividing the net profit / loss attributable to the Equity Shareholders for the year by the weighted average no of equity shares outstanding during the reporting year.

For the purpose of calculating diluted earnings per share the net profit/loss for the year attributable to equity shareholders and weighted average no of shares outstanding during the reporting year is adjusted for the effect of all dilutive potential equity shares. In considering whether potential equity shares are dilutive or antidilutive, each issue of series of potential equity shares is considered separately rather than aggregate.

S. STATEMENT OF CASH FLOWS

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of :

- a. changes during the period in operating receivables and payables transactions of a cash nature;
- b. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- c. all other items for which the cash effects are investing or financing cash flows

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet

T. DIVIDEND PAYABLE

Dividend is recognised at the time of payment to equity shareholders.



Note No.3 : Property plant and equipment

Description	Gross Block at Cost				Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land	1,82,66,670.00	-	-	1,82,66,670.00		-	-	-	1,82,66,670.00	1,82,66,670.00
Buildings	62,02,030.00	-	-	62,02,030.00	60 Yrs	1,03,367.17	-	17,71,381.45	44,30,648.55	45,34,015.72
Furniture & fixtures	76,79,368.38	3,57,664.62	7,87,056.00	72,49,977.00	10 yrs	7,59,029.44	7,87,056.00	27,88,564.26	44,61,412.74	48,62,777.56
Electrical	1,75,87,971.33	16,65,428.40	26,11,455.00	1,66,41,944.73	10 yrs	16,12,832.27	26,11,455.00	91,72,017.76	74,69,926.97	74,17,330.84
Equipments	-	-	-	-		-	-	-	-	-
Computers	1,19,40,074.81	12,50,167.76	33,55,257.18	98,34,985.39	3-6 Yrs	27,01,513.86	33,55,257.18	53,41,027.48	44,93,957.91	59,45,304.01
Vehicles	99,21,272.26	18,33,401.32	18,57,793.00	98,96,880.58	8 Yrs	13,72,821.06	18,57,793.00	48,80,978.02	50,15,902.56	45,55,322.30
Cycles	4,550.00	-	-	4,550.00	10 Yrs	455.00	-	2,113.01	2,436.99	2,891.99
Other Assets	3,96,328.47	1,73,375.58	99,497.00	4,70,207.05	5 Yrs	83,276.82	99,497.00	1,89,120.72	2,81,086.33	1,90,987.57
Total	7,19,98,265.25	52,80,037.68	87,11,058.18	6,85,67,244.75		66,33,295.62	87,11,058.18	2,41,45,202.70	4,44,22,042.05	4,57,75,299.99

Note No.3 (i) : Capital work-in-Progress

Description	Gross Block at Cost				Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Buildings WIP	1,68,55,062.00	5,64,37,187.32	-	7,32,92,249.32		-	-	-	7,32,92,249.32	1,68,55,062.00
Total	1,68,55,062.00	5,64,37,187.32	-	7,32,92,249.32		-	-	-	7,32,92,249.32	1,68,55,062.00

CWIP aging schedule

CWIP	Amount in CWIP for a period of			Total
	Less than One Year	1-2 Years	2-3 Years	
Projects in Progress	5,64,37,187.32	1,34,14,950.00	28,24,360.00	7,32,92,249.32
Projects temporarily suspended	-	-	-	-
			More than 3 years	
			6,15,752.00	

Note No. 4 : Intangible Assets

Description	Gross Block at Cost				Depreciation				Net Block	
	As at 01.04.2021	Additions as on 31.03.2022	Deletions as on 31.03.2022	As at on 31.03.2022	Useful Life	Dep during the period	Del. during the period	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Software	-	12,05,955.76	-	12,05,955.76	3 Yrs	71,188.19	-	71,188.19	11,34,767.57	-
Total	-	12,05,955.76	-	12,05,955.76		71,188.19	-	71,188.19	11,34,767.57	-

Note : There was no change in the useful life of the Assets on our review at the reporting date.



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 5		
Deferred tax Asset (net)		
Tax effect of items constituting deferred tax Liability	-	-
- Provision for Doubtful Debts	-	-
Tax effect of items constituting deferred tax Liability (A)	-	-
Tax effect of items constituting deferred tax Asset		
- Depreciation on fixed assets	20,21,183.75	17,12,736.01
- Provision for Debts	2,07,63,774.44	1,94,51,533.95
- Impairment of Investments	4,26,428.55	4,31,420.87
Tax effect of items constituting deferred tax Asset (B)	2,32,11,386.75	2,15,95,690.83
Deferred Tax Asset (net) (B-A)	2,32,11,386.75	2,15,95,690.83
Deferred Tax Asset is computed, taking into consideration that there would be adequate profits in future years to be adjusted		
Reconciliation of Estimated Tax expense at tax rate to Income Tax Expense reported in the Statement of Profit & Loss		
Profit before Tax	17,98,44,883.13	13,59,51,278.63
Applicable Income Tax Rate	25.168%	25.168%
Expected Income Tax Expense	4,52,63,360.18	3,42,16,217.81
Effect of Income exempt from tax	-	6,059.29
Effect of expenses / provisions not deductible in determining taxable profit	7,66,960.90	8,77,466.52
Adjustment related to tax of prior years	28,32,625.76	4,38,719.80
Reported Income Tax Expense	4,88,62,946.84	3,55,38,463.42

Note No. 6		
Non Current Investments		
Other investments (unquoted) -Trade		
Investment in Equity Instruments		
Associate :		
192000 (PY 192000) equity shares of Rs.10/- each of Steel City Financial Services Pvt Ltd at cost	4,08,00,597.77	3,35,94,581.99
Other investments (unquoted) - Non-Trade		
2,500 (PY 2500) equity shares of Rs. 10/- each of Steel City Infotech Pvt Ltd	25,000.00	25,000.00
4,00,000 (PY 4,00,000) Equity Shares of MELIORA ARC LTD	1,00,00,000.00	1,00,00,000.00
828 (PY 828 9% CCDs) Equity Shares of Redcliffe Hygiene Private Limited	79,90,635.00	79,90,635.00
	5,88,16,232.77	5,16,10,216.99
Provision for Diminution in value of Investments	5,88,16,232.77	5,16,10,216.99
Book Value of Unquoted Investments	5,88,16,232.77	5,16,10,216.99

Note : Investments in Subsidiary Company mutually cancelled on Consolidation of Financials

Name of the Associate	ownership interest	Original Cost Rs.	Carrying amount Rs.
Steel City Financial Services Pvt Ltd	43.74%	2,58,00,000.00	4,08,00,597.77



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 7		
Other non-current assets		
Unsecured, considered good		
Interest free Security Deposits with Exchanges	9,81,93,596.59	7,57,75,000.00
V Sat Deposits with Exchanges	50,000.00	50,000.00
Telephone Deposits	8,31,688.62	8,31,939.00
Rental Deposits	74,14,569.00	70,91,732.00
Electricity Deposits	9,15,159.00	9,12,941.00
Other Deposits	43,63,915.00	1,58,36,159.00
	11,17,68,928.21	10,04,97,771.00

Note No. 8		
Current Investments :		
Other investments (Quoted) - Trade		
ANI Integrated Services Ltd 1200 Qty (P.Y.1200) of Rs.10/- (PY Rs.10/-) each	1,20,000.00	1,20,000.00
India Cements Ltd 0 Qty (P.Y 11000) of Rs.10/- (PY Rs.10/-) each	-	9,18,611.27
Shivalik Rasaayan Ltd 1000 Qty (P.Y 15000) of Rs.10/- (PY Rs.10/-) each	3,26,000.00	3,26,000.00
Wockhardt Pharma Ltd 2190 Qty (P.Y 2190) of Rs.10/- (PY Rs.10/-) each	21,51,354.10	20,03,529.10
	25,97,354.10	33,68,140.37
Provision for Diminution in value of Investments	(8,58,304.90)	(8,78,140.87)
	17,39,049.20	24,89,999.50
Book Value of Quoted Investments	25,97,354.10	33,68,140.37
Market Value of Quoted Investments	17,39,049.20	24,89,999.50

Note No. 9		
Trade Receivables		
Trade Receivables Unsecured, considered good	13,51,83,732.61	21,61,40,541.18
Less : Provision for Debts	7,42,19,295.96	6,90,05,371.57
	6,09,64,436.65	14,71,35,169.61
Trade Receivables Secured, considered good	51,54,16,099.39	49,63,36,256.91
	57,63,80,536.04	64,34,71,426.52

Trade Receivables Ageing Schedule for the year Ended March 31, 2022

	Outstanding for following periods from due date of payment						Total (Rs)
	Less than 3 months	3 months-6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	51,54,16,099.39	4,02,660.94	2,20,686.50	416.74	7,00,01,879.26	6,45,58,089.17	65,05,99,832.00
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Less: Provision for debts							7,42,19,295.96
Total Trade Receivable							57,63,80,536.04



Trade Receivables Ageing Schedule for the year Ended March 31, 2021							
	Outstanding for following periods from due date of payment						Total (Rs)
	Less than 3 months	3 months-6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade Receivables - Considered good	51,48,65,966.43	55,72,105.31	1,81,10,463.38	10,89,08,028.26	6,50,20,234.71	-	71,24,76,798.09
Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-	-
Less : Provision for debts							6,90,05,371.57
Total Trade Receivable							64,34,71,426.52

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 10		
Cash and Cash Equivalents		
Cash on hand	16,90,924.60	15,17,323.49
Cheques, drafts on hand and transit	45,15,294.45	94,86,493.40
Balances with Banks		
- in current accounts	20,49,26,258.24	4,37,16,992.40
- Unclaimed dividend account	17,69,423.00	18,45,119.00
- in deposit accounts (Earmarked)		
Against Bank Guarantees & other commitments	46,26,90,088.02	43,85,69,840.20
Deposit original maturity less than 12 months	10,57,79,456.23	10,07,79,456.23
Deposit original maturity more than 12 months	-	-
	78,13,71,444.54	59,59,15,224.72

- a) deposit accounts includes an amount of Rs. 27.00 Cr placed with banks (HDFC Bank Rs.21.50 cr, Karur vysya bank Rs. 4.00 Cr and Karnataka bank Rs.1.50 Cr) pledged against the bank guarantees issued and loan provided by them.
- b) Section 125 of the Companies Act, 2013 mandates that companies transfer dividend that has been unclaimed for a period of seven years from unpaid dividend account to the Investor Education and Protection Fund (IEPF). Accordingly, if dividend is unclaimed for a period of seven years, it will be transferred to IEPF.

Note No. 11		
Short-term loans and advances		
Unsecured, considered good		
Advance to suppliers	99,56,036.50	14,36,792.50
Other loans and advances		
Advance to employees	24,45,477.14	23,50,977.14
Receivable from E-Governance Centres	1,55,01,540.89	1,27,38,803.81
Receivable from Authorised Persons/Dp Franchises	13,67,026.15	42,05,654.85
Others	15,80,490.06	4,18,20,067.09
	3,08,50,570.74	6,25,52,295.39

Note No. 12		
Other Current Assets		
Interest accrued on Fixed Deposits & Others	1,28,86,453.54	1,43,55,686.10
Other Receivables	65,07,407.11	71,37,064.40
Advance Income Tax	4,33,39,203.70	3,40,35,474.65
Prepaid expenses	71,38,742.79	44,69,216.79
	6,98,71,807.14	5,99,97,441.94



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 13		
Share Capital		
Authorised		
2,50,00,000 (PY 2,50,00,000) Equity Shares of Rupees 10/- each	25,00,00,000.00	25,00,00,000.00
Total	25,00,00,000.00	25,00,00,000.00
Issued subscribed and paid up capital		
1,51,07,095(P.Y 1,51,07,095) Equity Shares of Rupees 10/- each, fully paid-up	15,10,70,950.00	15,10,70,950.00
	15,10,70,950.00	15,10,70,950.00

Notes :

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Changes during the period	Closing Balance
Equity shares of Rs.10/- each :			
Period ended 31st March, 2022			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.	1,51,07,0950	0	1,51,07,0950
Period ended 31st March, 2021			
- Number of shares	1,51,07,095	0	1,51,07,095
- Amount Rs.	15,10,70,950	0	15,10,70,950

(i) Reconciliation of number of Shares

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Equity shares				
Opening Balance	1,51,07,095	15,10,70,950.00	1,51,07,095	15,10,70,950.00
Issued during the period	0	-	0	-
Closing Balance	1,51,07,095	15,10,70,950.00	1,51,07,095	15,10,70,950.00

(ii) Rights attached to equity shares :

The company has only one class of Equity Shares having at par value of INR 10/- per share. Each equity holder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to necessary approval from the shareholders except in case of interim Dividend

During the Year , the per share interim dividend paid to equity shareholders was Rs. 2.00 (previous year Rs.2.00) and final Dividend for FY 2020-2021 paid to equity shareholders is Rs.1.00 (previous year Rs.0.00)

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

(iii) List of shareholders holding more than 5% of the total number of shares issued by the Company :

Name of the Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
K. Satyanarayana	12,54,446	8.30	15,94,000	10.55
Satish Kumar Arya	10,51,000	6.96	10,46,000	6.92
G. Sirisha	24,43,731	16.18	24,43,731	16.18
G. Vishnu Vandana	25,75,500	17.05	25,75,500	17.05

(iv) There are no shares bought back by the Company during the period of Five Years immediately preceding the Balance Sheet Date. There are no securities that are convertible into equity/preference shares or employee stock option issued by the Company.



(v) Shares held by Promoters at the end of the year

Promoter Name	No of Shares	% of total shares	% of Change
K.Satyanarayana	12,54,446	8.30%	(2.14)
Satish Kumar Arya	10,51,000	6.96%	0.04
G. Sirisha	24,43,731	16.18%	-
G. Vishnu Vandana	25,75,500	17.05%	-

Promoters Group :	No of Shares	% of total shares	% of Change
Steel City Financial Services Private Limited	5,00,000	3.31%	0.00
K. Mahalakshmi	70,299	0.47%	0.03
K. V. S. Ramesh Babu	5,00,500	3.31%	2.29
Nirmala Devi	1,37,000	0.91%	0.12
Sachin Arya	5,59,943	3.71%	0.00
K. Geeta Vara Lakshmi	15,000	0.10%	0.00
K. Mrudula	63,500	0.42%	0.03
Alka Rajput	26,200	0.17%	0.00
Suman Arya	16,00	0.01%	0.00
Tentu Venkata Triveni	2,42,428	1.60%	1.60
Pyla Madhu	51,300	0.34%	0.00



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 14		
Long-term borrowings		
Secured		
Construction Loan from Karnataka Bank Ltd	-	68,00,000.00
Vehicle Loans from Banks & Others	8,43,172.00	16,61,732.00
	8,43,172.00	84,61,732.00

Vehicle Loan Received from Financial Institutions, which is payable in monthly installments i.e.Rs. 46,936
Interest paid on Construction loan taken from Karnataka Bank Ltd of Rs.6,29,061/- was capitalised and transferred to Building Wok in Progress.

Note No. 15		
Short-term borrowings		
Secured		
Loan repayable on demand from banks	-	-
Unsecured	-	-
Total	-	-

- Working Capital facilities from The Karnataka Bank Ltd is secured by hypothecation of Trade Receivables (50% paripasu), Collateral Security of specific Immovable Property belongs to the Company, personal guarantee of Directors and Properties belonging to Directors/ others aggregated of Rs.2.15 Cr.
- Working Capital facilities from Karur Vysya Bank is secured by specific Immovable Property belongs to the Company, Personal guarantee of Directors and Properties belonging to Directors/others aggregated of Rs.6.95 Cr.
- Working Capital facilities from The HDFC Bank Ltd is secured by hypothecation of Trade Receivables (50% paripasu), personal guarantee of Directors and Properties belonging to Directors/ others aggregated of Rs.4.45 Cr.

Note No. 16		
Trade payables		
Trade Payables including margin money from trade clients - MSME	-	-
Trade Payables including margin money from trade clients	50,19,14,040.81	45,22,87,690.44
	50,19,14,040.81	45,22,87,690.44

In order to secure the performance by the clients of their obligations, commitments & liabilities to the company they placed the margins with the Company

Trade Payables due for payment

Trade Payables Aging Schedule

FY 2021-2022

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 yrs	
MSME						
Others	-	50,19,14,041	-	-	-	50,19,14,040.81
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-

FY 2020-2021

Particulars	Not Due	Outstanding for following periods from the due date of payment				Total (Rs.)
		Less than 1 year	1-2 Years	2-3 Years	More than 3 yrs	
MSME	-	-	-	-	-	-
Others	-	45,22,87,690	-	-	-	45,22,87,690.44
Disputed Dues-MSME	-	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-	-



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 17		
Other Current Liabilities		
Liability for expenses, Authorised Persons/franchises	9,03,37,710.42	7,44,24,198.98
Margin money from E-Governance Centres	6,75,98,951.28	6,34,55,211.61
Liability against E-Governance Processings	5,83,81,784.87	5,21,15,162.94
Unclaimed dividends	17,69,423.00	18,45,119.00
	21,80,87,869.57	19,18,39,692.53

- a) There is no interest payable on Vsat Deposits taken from Franchises and the same was paid to Vsat Providers for purchase of VSATs.
- b) Unpaid dividends do not include any amount due and outstanding to be credited to investor education and protection funds.
- c) During the Year, an amount of Rs.1,89,900.00 has been transferred to Investor Education and Protection Fund.

Note No. 18		
Short term provisions		
Provision for Employee benefits		
- provision for gratuity	16,00,687.00	13,81,861.00
Provision for Taxation	4,76,46,017.00	3,68,88,892.00
	4,92,46,704.00	3,82,70,753.00

Provision is made for gratuity based on actuarial valuation. All actuarial gains and losses arising during the year are recognized in the Profit and Loss Account for the year.

Note No. 19		
Revenue from Operations		
Income from Broking Operations	34,07,38,849.06	28,32,66,461.08
Income from DP Operations	2,06,65,847.99	1,63,53,744.63
Income from E-Governance Operations	21,81,73,973.27	18,56,02,241.51
Interest from Margin Trading Operations	5,67,51,761.61	3,87,95,226.06
	63,63,30,431.93	52,40,17,673.28

Note No. 20		
Other Income		
Interest from Fixed Deposits & Others	2,97,56,942.53	2,77,50,699.62
Interest on IT Refund	-	60,846.00
Profit(loss) on sale of Investments	44,264.88	1,527,599.97
Interest - Others	29,041.00	-
Dividend Income	5,76,451.00	20,808.00
	3,04,06,699.41	2,93,59,953.59

Note No. 21		
Expenditure on Trading Operations		
Transaction Charges	52,57,375.39	52,01,190.80
Trading Expenses	46,458.35	8,64,492.44
Annual Subscription to Exchanges	1,00,000.00	2,00,000.00
Insurance	1,39,857.00	1,98,407.50
V Sat, Bandwidth Charges and Maintenance	10,76,391.88	24,58,757.77
Batteries, UPS Maintenance	17,17,001.54	35,46,353.02
	83,37,084.16	1,24,69,201.53

Trading Expenses are expenses on purchase and sale of shares wherever there was operational problems due to communication & computer disruptions, data entry operator's mistakes, share deliveries mismatch and other reasons, to come out of the long or short struck positions.

Note No. 22		
Impairment of Financial Instruments		
Trade Receivables	52,13,924.40	1,54,09,046.11
Investments	(19,835.97)	(88,27,606.85)
	51,94,088.42	65,81,439.26



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 23		
Employee benefits expense		
Salaries, wages and bonus	11,44,35,010.00	10,01,58,087.98
Contribution to;		
- Provident Fund and other Funds	69,77,611.00	62,38,975.00
- Gratuity	11,91,870.00	8,81,592.00
Staff Welfare Expenses	11,12,663.50	6,35,947.25
	12,37,17,154.50	10,79,14,602.23

- a) Salaries, wages and bonus includes an amount of Rs. 96,00,000/- (PY Rs.83,00,000/-) paid to the Directors as Remuneration as per Schedule V of the Companies Act, 2013.
- b) Provident Fund : Company pays fixed contribution to Provident Fund at predetermined rates to the EPF fund maintained by Employees' Provident Fund Organisation, Government of India. Company obligation is limited to payment of contribution at the pre determined rates. The settlement to the employees shall be made by the EPF organisation.
- c) Gratuity : Payable to employees, who render continuous service of 5 years or more, on separation, @15 days of last drawn pay of each completed year of service.
- d) Leave encashment: Leave encashment amount is paid to the employees at the end of the each calendar year.

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 24		
Finance Cost		
Interest Expenses	7,70,170.26	11,49,810.02
BG Commission and Charges	40,65,670.40	38,61,746.96
Other Borrowings cost	92,044.00	94,577.00
	49,27,884.66	51,06,133.98

	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 25		
Other Expenses		
A C Maintenance	1,58,960.00	1,04,860.00
Advertisements	96,083.80	89,556.74
Bad Debts Written off	84,28,36.47	-
Bank Charges & Payment Gateway Charges	18,77,152.43	16,08,218.94
Books & Periodicals	26,38,31.00	2,88,174.00
Business Development	41,70,571.56	33,72,396.96
Computer and software maintenance	85,16,995.16	85,16,028.86
Conveyance	2,02,012.00	2,16,471.00
CSR Expenses	24,20,396.00	25,91,604.00
Current Repairs to lease hold buildings	15,50,000.00	14,50,000.00
Demat charges	(6,296.05)	(21,025.65)
Donations	4,34,117.00	-
E-Governance Commission	14,64,10,706.11	12,45,88,882.32
Electricity Charges and maintenance	56,39,136.68	55,41,670.93
Fee to Company Secretary	1,56,000.00	1,56,000.00
Fees & Charges, Filing fee	31,09,188.63	27,17,290.67
Generator maintenance	2,49,433.00	2,04,123.50
Insurance	12,92,383.92	1,92,072.08
Legal, Consultancy and Professional fee	12,50,673.55	25,21,562.52
Office Maintenance	37,01,371.10	33,99,151.27
Office Rent	2,14,07,060.00	2,05,72,673.00
Payment to Auditors (Refer Note No.25.1)	13,15,584.00	13,64,120.00
Printing & Stationery, Postage and Other Charges	12,64,227.02	11,20,424.02
Sub-brokerage	12,49,35,735.76	9,17,31,782.64
Subscriptions	8,45,536.51	5,12,255.86
Telephone and Internet Charges & Maintenance	38,87,913.86	39,67,445.72
Tours and Travels	2,83,574.80	1,43,557.00
Transportation charges	97,561.00	89,662.00
Vehicle maintenance	14,36,274.93	11,26,224.04
Xerox and coolers maintenance	1,02,532.42	1,19,681.70
	33,80,11,552.66	27,82,84,864.12



	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.
Note No. 25.1		
Payment to Auditors includes payments to Statutory Auditors towards		
Statutory Audit Fee	2,40,000.00	2,40,000.00
Taxation Matters	-	-
Certifications	-	-
	2,40,000.00	2,40,000.00
Note No. 26		
Earnings per share (EPS)		
Earnings (as reported)	13,81,87,952.07	10,57,44,735.17
Shares		
No. of Shares	1,51,07,095.00	1,51,07,095.00
No. of Weighted Average Shares	1,51,07,095.00	1,51,07,095.00
Earnings per Equity Share (Rs.)		
- Basic	9.15	7.00
- Diluted	9.15	7.00



Note No. 27

Contingent Liabilities and commitments (to the extent not provided for) (in Rupees) :

Sl. No.	Particulars	As at 31st March 2022	As at 31st March 2021
1	Bank Guarantees in favour of Clearing Corporations of Stock Exchanges issued by Banks on behalf of the Company against 50% of Cash Margin i. e . Fixed Deposit Receipts	52,95,00,000	48,95,00,000
2	Cases against the Company not acknowledged as debts (See Note No. 27.1(a))	19,82,144	1,24,54,388
3	Income tax Demands pending in appeals (See Note No. 27.1(b))	15,38,179	N I L
4	Show cause notices from Service tax department for which the Company has filed replies	1,15,28,598	1,15,28,598
5	Service tax demands, pending in appeal (See Note No. 27.1(c))	5,39,77,462	5,39,77,462

27.1

- (a) Demands against the Company not acknowledged as debts, amounting to Rs.19,82,144/- are pending at various courts/forums
- (b) The Company has deposited an amount of Rs. Rs.3,08,500/- for granting stay for collection of Balance of Amount of Demand till the disposal of Appeal by the Appellate Authorities
- (c) Service tax demands against the Company;
 - (i) The Company has deposited an amount of Rs.13,49,186/- as a condition precedent of hearing the appeal before The Commissioner (Appeals) in case of order dated 09.01.2017. However the appeal has been disposed off by the learned Commissioner (Appeals) in favour of Revenue on 21.05.2018. The Company has filed an appeal against the order passed by the Commission (Appeals) before CESTAT by depositing additional Pre-deposit of Rs.4,49,729/- on 01.08.2018

Note No. 28

Provision for Taxation has been made after taking into account, the difference between depreciation in the accounts and the depreciation allowable as per the Income Tax Act, 1961 and other deductions /additions allowable/disallowable under the Income Tax Act, 1961.

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax and remeasured its deferred tax assets and liabilities, basis the rate prescribed in the said section.

Note No. 29

Due to outbreak of Covid-19 globally and in India, the Company has carried out its initial assessment of the likely adverse impact on economic environment and financial risk because of Covid-19. The Company is in the business of Stock Broking, DP Operations and E-Governance activities. The management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long- term. The Company estimates to recover the carrying amount of/all its assets including receivables and loans in the ordinary course of business based on information available on current economic conditions. These estimates are subject to uncertainty and may be affected by the severity and duration of pandemic. The Company is continuously monitoring any material change in future economic conditions.



Note No. 30

Related party disclosures : Nature of Relationship	Name of the Party
(a) Related Parties where Control Exists : Subsidiaries	Steel City Commodities Private Limited
Group Companies	Steel City Financial Services Private Limited
(b) Other related Parties : Key Management Personnel	Mr. K. Satyanarayana Mr. Satish Kumar Arya Mr. T.V. Srikanth

(c) Significant transaction with related parties : (in Rupees)

Sl No.	Nature of Relationship	Name of the Related Party	Remu- Neration	Corporate guarantee given	Nature of Transaction			Brokerage Received
					Advance Returned	Advance Taken	Dividend Paid/(received)	
1	Subsidiary Company	Steel City Commodities Private Ltd	0.00	0.00	84,213.98	84,213.98	0.00	0.00
2	Associate Company	Steel City Financial Services Private Ltd	0.00	0.00	0.00	0.00	15,00,000/ (2,88,000)	7,725.72
3	Executive Chairman	K Satyanarayana	36,00,000.00	0.0	0.00	0.00	47,83,338.00	28,691.58
4	Managing Director	Satish Kumar Arya	36,00,000.00	0.00	0.00	0.00	31,38,000.00	4,72,423.90
5	Director – IT	T V Srikanth	24,00,000.00	0.00	0.00	0.00	0.00	0.00
6	Director	G Vishnu Vandana	0.00	0.00	0.00	0.00	77,26,500.00	0.00
7	Relative of Key Management – Wife of Sri K Satyanarayana	K Mahalakshmi	0.00	0.00	0.00	0.00	2,10,897.00	4,789.23
8	Relative of Key Management – son of Sri K Satyanarayana	K S V Ramesh Babu	7,67,000.00	0.00	0.00	0.00	4,72,000.00	10,574.53
9	Relative of Key Management – wife of Sri Satish Kumar Arya	Nirmala Devi Arya	0.00	0.00	0.00	0.00	3,56,400.00	0.00
10	Relative of Key Management – son of Sri Satish Kumar Arya	Sachin Arya	0.00	0.00	0.00	0.00	16,79,829.00	859.24
11	Relative of Key Management – wife of Sri T V Srikanth	G Sirisha	0.00	0.00	0.00	0.00	73,31,193.00	35,133.00
12	Relative of Key Management – Husband of Smt G Vishnu Vandna	P Madhu	24,00,000.00	0.00	0.00	0.00	1,53,900.00	0.00
	Total		1,27,67,000.00	0.00	84,213.98	84,213.98	2,70,64,057.00	5,60,197.20

Note : Transactions between group companies comprise of extension and return of temporary adjustment of common clients accounts as identified by the Company's management from the Holding/Subsidiary Company's Account

(d) Amount Due to / (from) related Parties (Rs.)

Nature of Transaction	Due to /(From)
Steel City Commodities Private Limited	-
Steel City Financial Services Private Limited	-
K Satyanarayana	-
Satish Kumar Arya	-
T V Srikanth	-



Note No. 31

Defined Benefit Plan – Gratuity

The Company provides gratuity benefit to its employees, which is funded with Life Insurance Corporation of India. The following table sets out the funded status of the defined benefit scheme and the amounts recognised in the financial statements :

	31 st March, 2022 (Rs.)	31 st March, 2021 (Rs.)
Net Asset / (Liability) recognised in the Balance Sheet :		
Present Value of Defined Obligation	1,44,74,631	1,35,79,063
Fair Value of Plan Assets	1,33,58,168	1,25,24,833
Funded Status [Surplus / (Deficit)]	(11,16,463)	(10,54,230)
Unrecognised Past Services Costs	-	-
Net Asset / (Liability) recognised in the Balance Sheet	(11,16,463)	(10,54,230)
Change in Defined Benefit Obligations (DBO) during the year :		
Present Value of DBO at the beginning of the Year	1,35,79,063	1,25,14,983
Current Service Cost	14,26,536	13,27,208
Interest Cost	8,97,916	8,07,252
Actuarial (Gains) / Losses	-	-
Past Service Cost	-	(2,76,194)
Benefits Paid	(9,41,605)	(6,41,686)
Actuarial loss / (gain) on obligation (balancing figure)	(4,87,279)	(1,52,499)
Present Value of DBO at the end of the Year	1,44,74,631	1,35,79,064
Change in Fair Value of Assets during the Year :		
Plan Assets at the beginning of the Year	1,25,24,833	1,14,61,982
Expected Return on Plan Assets	8,14,566	8,66,101
Actual Company Contributions	9,07,286	10,00,000
Actuarial Gain / (Loss)	53,088	(1,61,564)
Benefits Paid	(9,41,605)	(6,41,686)
Plan Assets at the end of the Year	1,33,58,168	1,25,24,833
Actual Return on Plan Assets	8,67,654	7,04,537
Composition of Plan Assets is as follows :		
Government Bonds	Not Received	Not Received
Debentures and Bonds	Not Received	Not Received
Fixed Deposits	Not Received	Not Received
Others	Not Received	Not Received
* - Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer	1,33,58,168	1,25,24,833
Assumption used in accounting for Gratuity Plan :		
Discount Rate	7.25	6.85
Salary Escalation Rate	5.00	5.00
Expected rate of return on plan assets	6.75	6.50



Note No. 32

Corporate Social Responsibility

- a) Gross Amount required to be spent by the Company during the year Rs.24,20,396.00
b) Total Amount spent during the year is Rs.24,20,396.00 as detailed below :

Particulars	Amount (Rs.)
Amount Contributed to Sweekaram Education Society of Greater Visakhapatnam Municipal Corporation, Visakhapatnam	7,00,000.00
Amount Contributed to Prime Minister National Relief Fund	11,20,396.00
Amount Contributed to The Akshaya Patra Foundation, Visakhapatnam	3,00,000.00
Amount Contributed to Lebenshilfe, Visakhapatnam	3,00,000.00
Total	24,20,396.00

Note No. 33

Segment Reporting

1. Business Segment :

- (i) The business segment has been considered as the primary segment.
(ii) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organisation structure and the internal financial reporting system
(iii) The Company's primary business comprises of two business segments viz., Stock Broking & DP Operations and E-Governance Operations
(iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on a reasonable basis.
(v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information

Information about the primary segment

Particulars	Stock Broking & DP	E-Governance	Grand Total
A. Segment Revenue			
External Segment	44,85,63,158.07	21,81,73,973.27	6,66,73,731.34
Internal Segment	-	-	-
Total Revenue	44,85,63,158.07	21,81,73,973.27	6,66,73,731.34
B. Segment Results Profit/(Loss)	13,38,96,532.51	5,26,52,834.43	18,65,49,366.94
Less : Depreciation			67,04,483.81
Less : Income Taxes (Current, Deferred Tax)			4,88,62,946.84
Add : Share of Associate			72,06,015.78
Profit/(Loss) After Tax			13,81,87,952.07
C. Segment Assets	1,63,00,46,490.39	18,83,01,523.95	1,81,83,48,014.34
D. Segment Liabilities	62,85,83,235.21	14,15,08,551.17	77,00,91,786.38
E. Capital Expenditure	6,23,63,112.00	5,60,068.76	6,29,23,180.76
F. Depreciation	49,95,134.65	17,09,349.16	67,04,483.81

2. Geographical Segment

Further the Company has no geographical segments which are subject to different risk and returns. Hence, no separate disclosure in terms of Indian Accounting Standard 108 on segment reporting is considered necessary.



Note No. 34

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021

Particulars	Numerator	Denominator	31 st March 2022	31 st March 2021	Variance
1. Current Ratio	Current Assets	Current Liabilities	1.90	2.00	(5.06)
2. Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.00	0.01	(90.92)
3. Debt Service Coverage Ratio	Earnings available for debt services (PAT+Interest+Dep+/- Non Cash Items)	Interest+Debt Principal Payments & Accrued	12.36	24.38	(49.33)
4. Return on Equity (ROE)	PAT	Shareholder's Equity	13.18	11.07	19.10
5. Inventory turnover ratio	Cost of Sales	Average Stock	NA	NA	NA
6. Trade Receivables turnover ratio	Revenue	Average Trade Receivables	1.09	1.04	5.30
7. Trade payables turnover ratio	purchase of services and other expenses	Average Trade Payables	1.00	0.96	3.34
8. Net capital turnover ratio	Revenue	Working Capital	96.49	81.14	18.93
9. Net Profit Ratio	Net Profit	Revenue	20.73	19.11	8.46
10. Return on Capital employed	earning before interest and taxes	capital employed	17.63	14.76	19.39
11. Return on investment	Income from Investments	Time weighted Average Investments	1.03	2.86	(64.19)

Note No. 35

Previous Period figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification/disclosures.

For SARC & ASSOCIATES

Chartered Accountants
Firm Reg.No. 006085N

CHANDRA SEKHAR AKULA

Partner
Membership NO.206704

PLACE : VISAKHAPATNAM
DATE : May 14, 2022

For STEEL CITY SECURITIES LIMITED

K SATYANARAYANA
EXECUTIVE CHAIRMAN

SATISH KUMAR ARYA
MANAGING DIRECTOR

N. RAMU
CHIEF FINANCIAL OFFICER

M. SRIVIDYA
COMPANY SECRETARY



PROPOSED CORPORATE OFFICE BUILDING

28th Annual Report 2021-22

To

If Undelivered, Please Return to :



STEEL CITY SECURITIES LIMITED

ISO 9001 : 2015 CERTIFIED COMPANY

CIN No. : L67120AP1995PLCO19521

49-52-5/4, Shanthipuram, Visakhapatnam - 530016 A.P., India

Email : scs1@steelcitynettrade.com

Website : <https://www.steelcitynettrade.com>