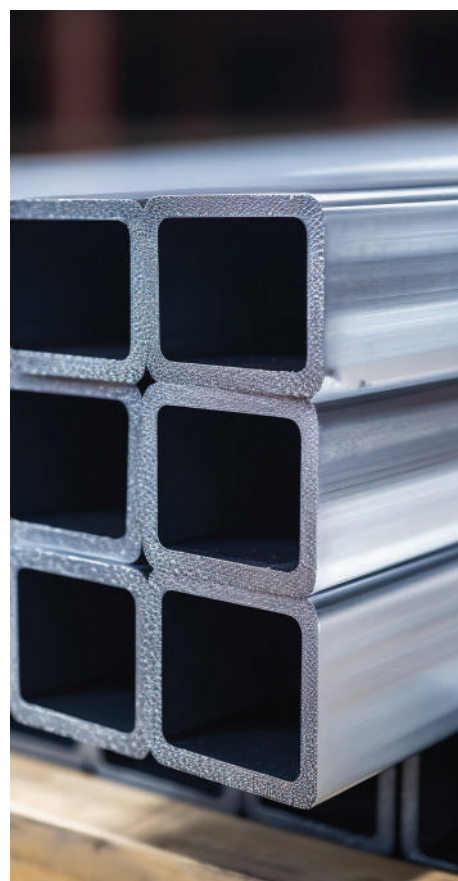
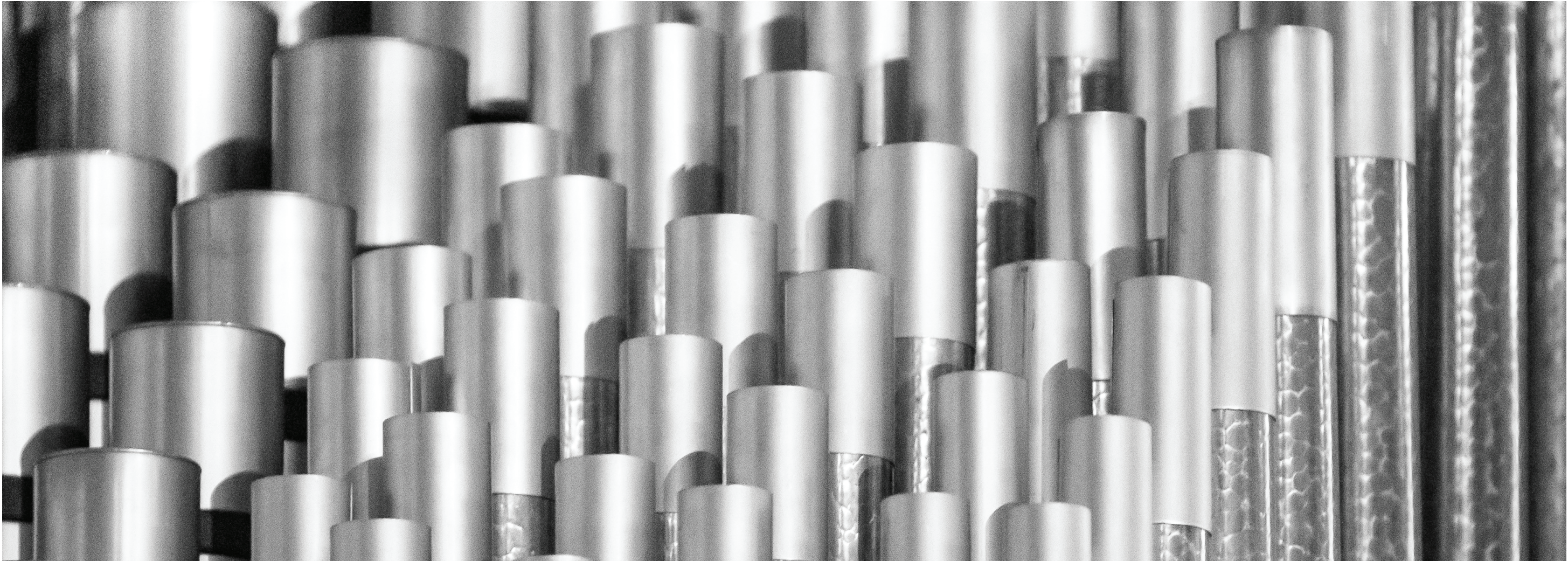


BUILDING THE FUTURE WITH EXPERTISE IN STEEL



ANNUAL REPORT 2023-24



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BUILDING THE FUTURE WITH EXPERTISE IN STEEL

At Vibhor Steel Tubes Limited (VSTL), we are dedicated to shaping the future of infrastructure with our unparalleled expertise in steel. Established in 2003, we have consistently provided innovative steel solutions to diverse heavy engineering industries across India.

Our vision is to lead the industry in delivering Galvanized Iron (GI) and Electric Resistance Welded (ERW) pipe solutions that adhere to the highest standards. We have built our reputation on a philosophy that supports not only our employees but also contributes positively to the socio-economic fabric of the industry and the nation. Our dedicated workforce embodies

this commitment, ensuring that every product we deliver meets stringent quality benchmarks.

As India’s infrastructure continues to grow and evolve, driven by significant investments and urban expansion, we are at the forefront of this transformation. By continuously enhancing our capabilities and infrastructure, we are well-positioned to meet the increasing demand for steel and contribute to the development of world-class infrastructure.

At VSTL, we are not just building the future with steel; we are building the future with expertise, innovation, and a commitment to excellence.

VIBHOR STEEL TUBES AT A GLANCE

Established in 2003, Vibhor Steel Tubes Limited (VSTL) specialises in the production, export, and distribution of steel pipes and tubes for various heavy engineering sectors across India.



KEY FACTS

20+
Years since inception

2
Manufacturing units (Maharashtra and Telangana)

2,21,000
Installed capacity (MTPA)

660
People

Our diverse product range includes ERW pipes for water transport, oil, gas, and other non-toxic applications; hot-dipped galvanized pipes for agriculture and infrastructure; hollow section pipes in square and rectangular configurations; primer-painted pipes for enhanced protection and aesthetics; and crash barriers for railway, highway, and road safety applications. With manufacturing facilities in Raigad, Maharashtra, and Mahabubnagar, Telangana, as well as a warehouse in Hisar, Haryana, we ensure efficient production and distribution.

KEY STRENGTHS



Association with Jindal Pipes Limited

We are working with Jindal Pipes Limited since 2003. We manufacture and supply the finished goods for "Jindal Pipes Limited" ("Jindal") vide the renewed agreement dated April 01, 2023 under the brand name "Jindal Star". We have a long-term agreement for six (6) years with Jindal. Under the agreement Jindal will provide orders with a minimum quantity of 1,00,000 MT per annum to fill majority capacity of Unit I and Unit II of the Company.



Strategically located manufacturing units

Unit I, located in Raigad, Maharashtra, is optimally positioned for exporting goods, handling 100% of our export sales. Unit II, situated about 70 km from Hyderabad in Mahabubnagar District, Telangana, benefits from proximity to the Jadcherla industrial area, ensuring efficient logistics, power, water supply, and raw materials.

We have inaugurated a new Galvanizing Iron (GI) manufacturing unit in Balanagar in the Mahabubnagar district of Telangana. With the commissioning of this new facility, VSTL's capacity in the state is set to double from 24,000 MTPA to 48,000 MTPA. We are also in the process of establishing our new manufacturing unit as Unit-III in Sundargarh, Odisha. Upon operation, the capacity of the Company will be increased by 1,20,000 MTPA per annum.



Strong distribution and marketing network

We have established extensive networking channels to identify core customers and design effective marketing strategies for procurement and project management. This robust distribution and marketing network ensures product availability, leading to an efficient supply chain, focused customer service, and quick delivery. As of March 31, 2023, we export to approximately 10 countries worldwide.



Experienced promoters and senior management team

Our Promoters bring over two decades of experience in the Steel Pipes & Tubes industry, respectively. Their expertise has been key to our growth since inception. Our senior management team, with many long-term members, ensures effective operational coordination and business continuity, adeptly guiding the organization through acquisitions and system developments.

QUALITY



Quality Control

Dedicated team tests raw materials and end products to ensure compliance with international standards.



Raw Material Sourcing

Sourced from reputable suppliers such as SAIL, JSW, and Hindustan Zinc to uphold product quality.



Infrastructure Investment

Timely investments in quality control and IT infrastructure for resource optimization and process transparency.



Certifications

Marquee quality certifications reflect our commitment to delivering world-class quality at an efficient cost.



WIDE PRODUCT PORTFOLIO

With two decades of experience, we have been supplying steel pipes and tubes to various heavy engineering industries in India through Jindal Pipes. The versatile applications of their products include frames, shafts, bicycle frames, furniture, shockers, and various structural and engineering purposes.



ELECTRIC RESISTANCE WELDED PIPES (ERW)

We specialise in manufacturing ERW pipes from high-quality low-carbon steel coils obtained from reliable vendors. Our advanced tube mills ensure precise processing, producing ERW pipes with exceptional strength, corrosion resistance, and durability. We offer a diverse range of options in quality, wall thickness, diameter, and finishes to meet various end-user needs.

Application: Water transport, oil, gas and other non-toxic supplies

HOT-DIPPED GALVANIZED PIPES

We manufacture high-quality corrosion-resistant Galvanized Pipes with a robust zinc coating, ensuring durability in both wet and dry environments. Our standard 21-foot pipes come in threaded or welded options, with various diameters. Each pipe undergoes precision cutting and rigorous quality checks.

Application: Agriculture, infrastructure, building materials, mechanical engineering, public transportation, and telecommunications.



HOLLOW SECTIONS PIPES

Our ERW Pipes are available in hollow section shapes like square and rectangular, offering a high strength-to-weight ratio for cost efficiency. These sections are easy to weld, resist corrosion, and are bendable, ensuring strong and attractive structures. Customers can choose primer painting with Dura Primed paint for quick delivery without sacrificing quality. Coated pipes enhance corrosion resistance, improve flow capacity, and reduce maintenance costs.

Application: Offices, factories, and hotels

CRASH BARRIER

Manufactured from GI Mild Steel, our crash barriers come in single and double-sided options. The metal beam's resilience provides greater safety compared to rigid barriers, reducing impact on errant vehicles. Our barriers feature lower maintenance costs, modular design, and are zinc-coated for enhanced longevity.

Application: Railways, highways and roads



MANUFACTURING FACILITIES

We operate two manufacturing facilities: one in Sukheli, Maharashtra, and the other in Mehboob Nagar, Telangana. Both sites have the latest machinery and equipment, allowing us to produce products tailored to customer requirements.



UNIT 1 – MAHARASHTRA

- Sports an advanced tube mill from Australia, state of the art, slitting line from USA and 2 galvanized lines
- Situated in an area over **3.5 Lakh sq.ft.**
- Supplies to Maharashtra, Gujarat and Madhya Pradesh from this plant and all exports revenues are derived from Maharashtra plant owing to strategic locational proximity
- Manufacturing capacity - **125,000 MTPA**

UNIT 2 – TELANGANA

- Produces Electric Resistance Welded Black Pipes (ERW), Hot dipped Galvanised Pipes and Crash Barriers; sports one tube well and 1 galvanized line
- Situated in an area over **6 Lakh sq.ft.**
- Located around 70 kms from Hyderabad in Mahabubnagar District, Telangana and close to Jadcherla Industrial Area
- Manufacturing capacity - **96,000 MTPA**



KEY PERFORMANCE INDICATORS

REVENUE (₹ in lakhs) 9.44% (3-year CAGR)

FY 2023-24		1,07,271
FY 2022-23		1,11,438
FY 2021-22		81,848

EBITDA (₹ in lakhs) 15.68% (3-year CAGR)

FY 2023-24		4,672
FY 2022-23		4,684
FY 2021-22		3,018

EBITDA MARGIN (%) 5.95% (3-year CAGR)

FY 2023-24		4.4
FY 2022-23		4.2
FY 2021-22		3.7

PAT (₹ in lakhs) 16.05% (3-year CAGR)

FY 2023-24		1,771
FY 2022-23		2,017
FY 2021-22		1,133

PAT MARGIN (%) 6.69% (3-year CAGR)

FY 2023-24		1.7
FY 2022-23		1.9
FY 2021-22		1.4

EPS (₹) 6.37% (3-year CAGR)

FY 2023-24		9.34
FY 2022-23		14.85
FY 2021-22		7.76

NET WORTH (₹ in lakhs) 35.18% (3-year CAGR)

FY 2023-24		17,778
FY 2022-23		9,320
FY 2021-22		7,197

DEBT/EQUITY RATIO (times)

FY 2023-24		0.8
FY 2022-23		1.6
FY 2021-22		1.8

RETURN ON CAPITAL EMPLOYED (times)

FY 2023-24		0.13
FY 2022-23		0.26
FY 2021-22		0.17

RETURN ON EQUITY (times)

FY 2023-24		0.13
FY 2022-23		0.17
FY 2021-22		0.13

CHAIRMAN'S MESSAGE



DEAR STAKEHOLDERS,

One of the most notable highlights of the year was our successful Initial Public Offering (IPO). On behalf of the Board of Directors and the entire leadership team at Vibhor, I extend my heartfelt gratitude to all our investors and stakeholders. Your belief in our business, vision, strategies, and execution capabilities has been instrumental in reaching this milestone.

We are pleased to present our inaugural annual performance report for the financial year 2023-24. This report provides a comprehensive overview of our financial and operational performance, set against the backdrop of the evolving dynamics within our sector.

With two decades of experience, we have been supplying steel pipes and tubes to various heavy engineering industries across India. The steel industry is a cornerstone of economic development, providing essential raw materials for sectors such as construction, infrastructure, manufacturing, and transportation.

The Government has adopted several initiatives and policies to boost domestic steel production, including the Make in India initiative and the National Steel Policy (NSP) 2017. The NSP aims to enhance the development of value-added products like alloy steel and electrical steel within the domestic market. This increase in demand for steel tubes and pipes plays a crucial role in the country's growth and development, solidifying their importance in India's infrastructure and manufacturing sectors.

Thanks to substantial government investment in infrastructure projects, India has maintained its position as the world's second-largest steel producer. With strong growth prospects in these industries, further supported by our well-established presence and a strong pan-India distribution network, we remain a preferred partner of choice. We benefit from a long-standing relationship with JPL, which began with job work activities and has evolved into full-time production of pipes.

VSTL successfully completed its Initial Public Offering (IPO) this year, and we are grateful to our investors for their support. Our inaugural annual report showcases a 6.52% growth in EBITDA despite a decline in operating income and PAT due to lower selling prices. With plans to establish a new facility in Odisha, we aim to enhance our production efficiency and reduce raw material costs by 2025. Our strategic focus includes expanding our global footprint, enhancing workforce capabilities, and strengthening partnerships to drive future growth.

PERFORMANCE

During the year, our EBITDA experienced a growth of 6.52%, reaching ₹ 4,672 lakh, compared to ₹ 4,386 lakh in 2022-23. However, our operating income for the full year totalled ₹ 1,07,271 lakh, representing a decline of 3.63% from ₹ 1,11,312 lakh in 2022-23. Additionally, our PAT decreased by 15.89% in 2023-24, falling to ₹ 1,772 lakh from ₹ 2,107 lakh in 2022-23. The decline is attributed to a decrease in the sale price. While the quantity sold in 2023-24 exceeds that of 2022-23, the overall figures have decreased due to the lower selling prices. In November 2023, we received the allotment letter for land to establish a new facility for Vibhor Steel Tubes Limited in Odisha. Given Odisha's status as the largest iron market, this new facility will help reduce raw material costs and improve margins in the future. We anticipate that production will commence in Fiscal 2025.

STRATEGY FOR A BETTER TOMORROW

We plan to expand our footprint by successfully exporting products to 10 countries and continue this strategy for further growth. To enhance our competitive edge, we are focusing on attracting, retaining, and training qualified personnel by offering continuous learning opportunities and the latest technical training. In line with our expansion plans, we will further develop technology systems to boost asset productivity and operational efficiencies. Additionally, we aim to strengthen goodwill and brand visibility by leveraging our partnership with Jindal Pipes Limited, striving to achieve parity with industry peers and deepen market penetration.

PEOPLE

The collective capabilities of our talented workforce have been instrumental in driving our success thus far, and we remain committed to further investing in their development. Our employee training programmes help cultivate a mindset that aligns with crucial values such as customer-centricity, professionalism, and a strong focus on quality. It acts as a catalyst for both individual and organisational growth, reinforcing our values and fostering a culture of continuous improvement and excellence. Furthermore, we have made continuous efforts to prioritize the safety of our employees across our operating facilities.

THE ROAD FORWARD

We remain confident of our business growth prospects and continue to invest in future growth. Before concluding, I would like to extend my heartfelt gratitude to all stakeholders for your continued support and strong belief in our abilities. It is our constant endeavour to create sustainable value for all of you consistently. I am confident that together, we will attain new heights of success and carve a unique place for the organisation in the steel tubes industry.

Regards,

Vijay Kaushik

BOARD OF DIRECTORS



MR. VIJAY KAUSHIK
Founder, Chairman and Director



MR. VIBHOR KAUSHIK
Managing Director



MS. VIJAY LAXMI KAUSHIK
Whole-time Director



MS. PRATIMA SANDHIR
Whole-time Director



MR. PANKAJ KUMAR RAI
Executive Director



MR. SHIV KUMAR SINGHAL
Non-executive Independent Director



MR. ABHIRAM TAYAL
Non-executive Independent Director



MR. SANJEEV GUPTA
Non-executive Independent Director



MR. ASHWANI KUMAR GARG
Non-executive Independent Director



MR. VIKRAM GROVER
Non-executive Independent Director

MR. VIJAY KAUSHIK

Founder, Chairman and Director

Mr. Vijay Kaushik began his career as a lawyer in 1975 before transitioning to entrepreneurship. He founded a manufacturing firm in 1978, initially focused on Harrow Disc Agriculture and later expanding into stainless-steel coils and pipes. With over four decades in manufacturing and more than 20 years in ERW pipes and tubes, he leads Vibhor Steel Tubes with deep expertise in product, market dynamics, and industry trends. He oversees sourcing and finance functions at the company and serves as a director at Jindal Drilling and Industries Ltd. He graduated from Government College Hisar and earned an LLB from Delhi University.

MR. VIBHOR KAUSHIK

Managing Director

Mr. Vibhor Kaushik, who joined the company in 2003, has driven a 19-fold increase in capacity, from 12,000 MTPA in 2006 to 221,000 MTPA in 2024. He excels in production, project execution, operations, and market development. He completed the Telangana project ahead of schedule and is now strategising international expansion. Mr. Vibhor is an electrical engineer from Arizona State University.

MS. VIJAY LAXMI KAUSHIK

Whole-time Director

Ms. Vijay Laxmi Kaushik commands more than 25 years of experience across varied roles in the organisation. She has good interpersonal skills and helps in the company's administration. She holds a graduate degree from Government College, Gurgaon.

MS. PRATIMA SANDHIR

Whole-time Director

Ms. Pratima Sandhir has more than eight years of experience in the steel industry. She is engaged with the finance and administration functions at Vibhor Steel and commands good interpersonal skills. She holds a graduation degree in Journalism and Communication.

MR. PANKAJ KUMAR RAI

Executive Director

Mr. Pankaj Kumar Rai joined the company in August 2012 and became a director in February 2020. With 16 years of experience in the steel industry, including roles at Maharashtra Seamless and Bhushan Power & Steel, he manages daily operations and has overseen the factory for 12 years. Under his leadership, the company has completed several cost-effective projects. He holds a B.A. in History, Economics, and Political Science from Bihar University.

MR. SHIV KUMAR SINGHAL

Non-executive Independent Director

Mr. Shiv Kumar Singhal, a reputed professional with over three decades in the steel industry, has served as the President of Commercial at Maharashtra Seamless Limited (D.P. Jindal Group) since 1989. He is a Fellow Member of the Institute of Company Secretaries of India (ICSI) and holds a Commerce degree from Meerut University.

MR. ABHIRAM TAYAL

Non-executive Independent Director

Mr. Abhiram Tayal, with over 46 years of experience in the steel industry, is renowned for his expertise in Technical and Operational Management. He is the Promoter and Managing Director of Hisar Metal Industries Limited, a BSE and NSE listed company. He holds a graduate degree from Punjab University, Chandigarh.

MR. SANJEEV GUPTA

Non-executive Independent Director

Mr. Sanjeev Gupta holds more than 20 years of experience in the automobile sector. He is the promoter and director of Telmos and Opulent Automobiles. He holds a B-Tech degree in Mechanical Engineering from NIT Kurukshetra.

MR. ASHWANI KUMAR GARG

Non-executive Independent Director

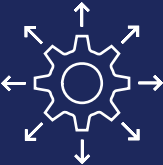
Mr. Ashwani Kumar Garg is a celebrated professional with over three decades of experience in the agriculture sector. He holds a postgraduate degree in MA Economics.

MR. VIKRAM GROVER

Non-executive Independent Director

Mr. Vikram Grover has over 10 years of diverse experience in financial management, business planning, due diligence, and more. He began his career in 2011 with APL Machinery Private Limited and has worked with ORRIS Group and Spectrum Renewable Energy. In January 2019, he founded his own firm, M/s Vikram Grover and Company (VGC). He is a Fellow member of ICSI, a law graduate, and holds a Master's Degree in Commerce. He is also a member of the Institute of Social Auditors of India (ISAI).

STRATEGIC PRIORITIES



Expansion into new markets

We strategically select new locations where we can maintain high-quality standards and avoid significant delays. By broadening our geographical footprint, we aim to mitigate risks from regional concentration and protect against fluctuations from focusing on limited areas.

We have launched a new Galvanizing Iron (GI) manufacturing plant in Balanagar, located in the Mahbubnagar district of Telangana. This new facility will double crash barrier's production capacity in the state from 24,000 MTPA to 48,000 MTPA. Additionally, we are in the process of setting up our new Unit-III manufacturing facility in Sundargarh, Odisha.



Continue to improve operating efficiencies through technology enhancements

Our production process is fully automated, utilising advanced machinery to meet customer specifications. As part of our expansion plans, we aim to upgrade our technology systems to increase asset productivity, enhance operational efficiency, and strengthen our competitive edge.



Enhance core strengths through talent development

We understand that successful project execution and management are crucial to our success. Maintaining quality, reducing costs, and meeting deadlines depend on the skills and workmanship of our employees. To stay competitive in the Indian engineering and manufacturing sector, we are enhancing our focus on staff training. We offer engineering and technical personnel with diverse work experiences and ongoing training in the latest systems, techniques, and knowledge upgrades.



Strengthen goodwill

For nearly 20 years, we have specialised in manufacturing mild steel and stainless-steel pipes/tubes. Unlike competitors with an average operating history 40 years longer, our brand is still developing. To boost our market presence and brand visibility, we'll collaborate with Jindal Pipes Limited, participating in trade fairs and dealer meetings to strengthen our goodwill and align with industry peers.

NOTICE is hereby given that the **21st Annual General Meeting** (the “AGM” or the “Meeting”) of the Members of **VIBHOR STEEL TUBES LIMITED -Formerly known as Vibhor Steel Tubes Private Limited** (the “Company”) will be held on, Thursday, **26th September, 2024 at 02:00 P.M.** at Banquet Hall, Suncity Mall, Delhi Rd, Industrial Area, Hisar, Haryana-125001 to transact the following business:

ORDINARY BUSINESS

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 together with Reports of the Board of Directors and Auditors thereon.
- 2. To appoint a Director in place of Mr. Vijay Kaushik (DIN: 02249672) who retires by rotation and being eligible, offers himself for re-appointment.
- 3. To appoint a Director in place of Ms. Vijay Laxmi Kaushik (DIN: 02246977) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS

4. Ratification of Remuneration to Cost Auditor for the financial year 2024-25.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), remuneration of ₹35,000/- per annum, plus applicable taxes and reimbursement of out-of-pocket expenses (at actuals), as approved by the Board of Directors of the Company, payable to M/s. S K Agarwal & Associates Cost Accountants (Firm Registration No. 100322) for conducting the audit of the cost accounting records maintained by the Company in respect of Company’s manufacturing activities for the financial year ending 31st March, 2025 be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to give effect to this Resolution.”

5. Continuation of Mr. Vijay Kaushik (DIN: 02249672) as Chairman and Executive Director of The Company on Attaining the Age of Seventy Years.

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

“RESOLVED THAT pursuant to Section 196(3) 197, 198 and 203 and other applicable provisions read with Schedule V of Companies Act 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force including SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the approval of members of the Company be and is hereby accorded, for the continuation of tenure of Mr. Vijay Kaushik (DIN: 02249672) as Chairman & Executive Director of the Company, who has attained the age of 70 years.

RESOLVED FURTHER THAT that the Board of Directors (hereinafter referred to as the “Board” which expression shall also include any Committee duly constituted by the Board) of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary for the purpose of giving effect to the aforesaid resolution.”

By Order of the Board of Directors
For Vibhor Steel Tubes Limited

Registered Office
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar,
Haryana, India, 125005
CIN: U27109HR2003PLC035091
Place: Hisar
Date: 13th August 2024

Lovkesh
Company Secretary and Compliance Officer
Membership. No. A68975

NOTES:

- 1. PURSUANT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Accordingly, the facility for appointment of proxies by the Members will be available for the AGM and hence the Proxy Form and Attendance Slip are annexed to this Notice.
- 2. The Instrument appointing the Proxy, duly completed, stamped and signed, should reach the Registered Office of the Company not less than forty-eight hours before the time of the Annual General Meeting. Members are requested to note that a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- 4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
- 5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 6. The Company has engaged the services of Central Depository Services Limited (CDSL), to provide e-voting facility for the AGM.
- 7. At the 20th AGM, M/s. Ashok Kumar Goyal &Co., Chartered Accountants (Firm Registration No. 002777N) were re-appointed as Statutory Auditors of the Company for a period of 5 years until the conclusion of the 25th AGM of the Company.

The ratification of their appointment pursuant to Section 139 of the Companies Act, 2013 (the “Act”) is not required in terms of notification no. SO 1833(E) dated 7th May, 2018 issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of this AGM Notice.
- 8. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pcskrshirwadkar@gmail.com with a copy marked to cs@vstlindia.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
- 9. In terms of Section 152 of the Act, Mr. Vijay Kaushik (DIN: 02246972), and Ms. Vijay Laxmi Kaushik (DIN:02246977) Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The Board of Directors of the Company recommends their re-appointment.
- 10. The details of the Director seeking re-appointment under item no. 2 & 3 of this Notice are annexed hereto in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard 2 on General Meetings.
- 11. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Act, concerning the Special Business to be transacted at the Meeting, as mentioned in the Notice, is annexed hereto and forms part of this Notice.
- 12. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company during business hours on all working days (except Saturday, Sunday and National Holidays) from the date hereof, up to the date of the Meeting.
- 13. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e **Thursday 19th September 2024**, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or vibhor.ipo@kfintech.com.
- 14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company /KFin Technologies Limited (Company's Registrar and Share Transfer Agent / RTA) and complete their Know Your Client (“KYC”) formalities as mandated by law. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

15. In terms of relaxations granted by SEBI vide Circular NoSEBI/HC>/CFD/CFD-PoD-2/P/CIR/2023/167 October 07, 2023 sending hard copy of the Annual Report for the financial year 2023-24 to shareholders who have not registered their email ids with the Company/RTA/Depository has been dispensed with. Therefore, Annual Report 2023-24 including Notice shall be sent by email to those shareholders whose email ids are registered with the Company/RTA/ Depository. Members may note that the Notice and Annual Report 2023-24 will also be available on the Company's website at www.vstlindia.com, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com, and National Stock Exchange of India at www.nseindia.com and on the website of CDSL at www.evotingindia.com. Members who have not registered their email address with the Company can register the same by following the procedure as mentioned below in point 27. Company shall send hard copy of the Annual Report 2023-24 to the members who request for the same in writing.
16. The Company has notified closure of Register of Members and Share Transfer Books from **Friday, 20th September, 2024 to Thursday, 26th September, 2024** (both days inclusive) for the purpose of AGM.
17. A route map showing directions to reach the venue of the 21st Annual General Meeting is given at the end of the Notice as per the requirement of Secretarial Standard- 2 on “General Meeting”.
18. The Board of Directors of the Company has appointed **Mr. Ketan Ravindra Shirwadkar (ACS:37829; CP 15386) Proprietor of M/s. KRS & Co.,** Practicing Company Secretaries, Thane as Scrutinizer to scrutinize the remote e-voting and voting process at Meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
19. The Scrutinizer shall within a period of within two working days from the conclusion of the Annual General Meeting, submit his report of the votes cast in favour or against, through electronic voting and polling process to the Chairman or to any other person as authorized by the Chairman. The results declared along with the consolidated Scrutinizer’s Report shall be placed on the website of the Company and on the website of CDSL. The result shall be simultaneously be communicated to the BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.
20. All correspondence relating to transmission of shares, change of address, dividend mandates etc. quoting their folio numbers should be sent to the Registrar and Transfer Agent only at their address: KFIN TECHNOLOGIES LIMITED, Selenium Building, Tower B, Plot No. 31-32, Financial District. Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India 500032, Tel: +91 4067162222; Website: https://www.kfintech.com/ Email: vibhor.ipo@kfintech.com
21. 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 SEBI Listing Regulations, the Company is providing facility of remote e-voting to its Members through CDSL e-voting system at www.evotingindia.com in respect of the business to be transacted at the AGM.
22. Instructions for shareholders voting electronically are as under:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on **Monday, 23rd September 2024 at 9:00 a.m.** and ends on **Wednesday, 25th September 2024 at 5:00 p.m.** During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Thursday 19th September, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the Meeting date would not be entitled to vote at the Meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020**, under Regulation 44 of SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

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

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

- Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**
- (iv) 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 above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab. 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, so that the user can visit the e-Voting service providers’ website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option. 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. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

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

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

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

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on "Shareholders" module.
 - Now enter your User ID.
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - 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.
 - 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 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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. 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.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) 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 and enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non - Individual Shareholders and Custodians – For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@vstlindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

23. The voting right of Shareholders shall be in proportion to their shares in the paid-up equity capital of the Company as on **cut-off date i.e. Thursday, 19th September, 2024.**

24. The facility for voting through Ballot Paper (Poll) shall be made available at the AGM and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through Ballot paper.

The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

25. In terms of Section 72 of the Act read with the applicable rules thereto, every holder of shares in the Company may nominate, in the prescribed manner, a person to whom his / her shares in the Company shall vest, in the event of his / her death. Nomination forms can be obtained from the Registrar and Share Transfer Agent. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.

26. Pursuant to Section 107 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, voting through poll shall also be made available to those Members who attends the Annual General Meeting and have not already cast their vote by remote e-voting.

27. **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** i.e. cs@vstlindia.com or vibhor.ipo@kfintech.com.
- 2. For Demat shareholders - Please update your email id and mobile no. with your respective Depository Participant (DP)
- 3. For Individual Demat shareholders – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

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

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

**By Order of the Board of Directors
For Vibhor Steel Tubes Limited**

Registered Office
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar,
Haryana, India, 125005
CIN: U27109HR2003PLC035091
Place: Hisar
Date: 13th August 2024

Lovkesh
Company Secretary and Compliance Officer
Membership. No. A68975

ANNEXURE

**ANNEXURE TO NOTICE
STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 4:
Ratification of Remuneration to Cost Auditor for the financial year 2024-25.**

In pursuance of Section 148 of the Act and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost accounting records of the applicable products of the Company. The Board, on the recommendation of the Audit Committee, has approved in its meeting held on 13th August, 2024, the appointment of S K Agarwal & Associates Cost Accountants (Firm Registration No. 100322), Mumbai, at a remuneration of ₹35,000 (Rupees Thirty-five thousand only) per annum (plus applicable taxes) and reimbursement of out-of-pocket expenses, if any, in connection with the Cost Audit of the Company for the financial year 2024-25.

Cost Auditors remuneration needs to be ratified by the shareholders.
None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the Notice.
The Directors recommend the above resolution for passing by the shareholders as an ordinary resolution.

Item No. 5:
Mr. Vijay Kaushik, (DIN: 02249672) is appointed as Chairman and Executive Director for a term of 5 years with effect from August 28, 2023. Pursuant to Section 196(3)(a) of the Companies Act, 2013, “No company shall appoint or continue the employment of any person as managing director, whole-time director or manager who — is below the age of twenty-one years or has attained the age of seventy years: Provided that appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;”

The Board considers the continuation of Mr. Vijay Kaushik (DIN: 02249672) to be beneficial to the interests of the Company, considering his long experience and the services being rendered by him and recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.
Only Mr. Vijay Kaushik (DIN: 02249672) may be deemed to be interested in the Special resolution set out at Item No. 5 of the Notice.
No other Director / Key Managerial Personnel/ their relatives is in any way considered concerned or interested, financially or otherwise in this resolution, except as a member of the Company.

**By Order of the Board of Directors
For Vibhor Steel Tubes Limited**

Registered Office
Plot No. 2, Industrial Development Colony,
Delhi Road, Hisar,
Haryana, India, 125005
CIN: U27109HR2003PLC035091
Place: Hisar
Date: 13th August 2024

Lovkesh
Company Secretary and Compliance Officer
Membership. No. A68975

ANNEXURE TO ITEM NO. 2 & 3 OF THE NOTICE

Details of Director seeking appointment and re-appointment at the forthcoming Annual General Meeting.

[Pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings]

Name of the Director	Mr. Vijay Kaushik	Ms. Vijay Laxmi Kaushik
DIN	02246972	02246977
Date of Birth	18/11/1953	05/03/1956
Nationality	Indian	Indian
Brief Resume of the Director	Mr. Vijay Kaushik, aged 70 years is the Promoter and is currently designated as Chairman and Director of our Company. He was appointed as the Director on the Board of our Company February 26, 2009. Born in Hisar, Haryana, India on November 18, 1953 he did his schooling in Hisar and a full-time graduation from Government College Hisar in 1972 and subsequently he did LLB from Delhi University in 1975.	Ms. Vijay Laxmi Kaushik, aged 68 years and is currently designated as Whole Time Director of our Company. Born in Gurgaon, Haryana, India on March 05, 1956 she did her schooling in Gurgaon and a full-time graduation from Government college Gurgaon in 1976. She has more than 25 years of experience. She is a Whole time Director of the company. She has goods interpersonal skill and also helps in the administration of the company.
Date of Appointment on the Board	Originally appointed as Executive Director on February 26, 2009. Further Redesignated as Chairman cum Executive Director for a term of 5-year w. e. f. August 28, 2023.	Originally appointed as Executive Director w.e.f. August 28, 2005 Further Redesignated as Whole Time Director for a term of 5-year w.e.f. August 28, 2023.
Qualifications	Business	Business
Expertise in specific functional Area	Sourcing and Finance function.	Operations and Administrative Management
Number of shares held in the Company	39,95,430	42,95,763
List of the directorships held in other companies*	- Jindal Drilling and Industries Limited - RN Securities Private Limited	RN Securities Private Limited
Number of Board Meetings attended during the year	Please refer Corporate Governance Report which is a part of this Annual Report	Please refer Corporate Governance Report which is a part of this Annual Report
Chairman/ Member in the Committees of the Boards of companies in which he is Director*	- Chairman of Audit Committee of Jindal Drilling and Industries Limited. - Chairman of Stakeholders Relationship Committee of Jindal Drilling and Industries Limited.	Member of Stakeholders Relationship Committee of Vibhor Steel Tubes Limited
Relationships between Directors inter-se	Husband of Whole Time Director – Ms. Vijay Laxmi Kaushik and Father of Managing Director – Mr. Vibhor Kaushik	Wife of Chairman and Executive Director Mr. Vijay Kaushik Mother of Managing Director – Mr. Vibhor Kaushik
Terms and conditions of appointment or re-appointment	Appointment as Chairman and Executive Director for a period of 5 years w.e.f. August 28, 2023.	Appointment of Whole Time Director for a period of 5 years w.e.f. August 28, 2023.
Details of remuneration last drawn and Details of remuneration sought to be paid.	1,89,00,000/- per annum.	1,56,00,000/- per annum.

* Committee memberships includes only Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (Whether Listed or not)

ROAD MAP TO THE AGM VENUE

VENUE: BANQUET HALL, SUNCITY MALL, DELHI RD, INDUSTRIAL AREA, HISAR, HARYANA-125001, INDIA



Report of Board of Directors

To the Members of Vibhor Steel Tubes Limited

The Board of Directors present the 21st Annual Report of Vibhor Steel Tubes Limited (the “Company” or “VSTL”) – first, post IPO – along with the Audited Standalone Financial Statements for the Financial Year ended March 31, 2024 as given below are the witness of your company’s remarkable growth and performance.

1. FINANCIAL RESULTS

The summary of the financial results of the Company for the year ended March 31, 2024, are as follows:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Revenue from Operations	1,07,271.47	1,11,311.90
Other Income	166.33	125.92
Total Revenue	1,07,437.81	1,11,437.82
Operating Expenditure	1,02,391.76	1,06,753.38
Profit before Depreciation, Interest and Taxes	5,046.04	4,684.44
Finance Cost	1,807.24	1,225.57
Depreciation	829.29	636.51
Profit Before Tax	2,409.52	2,822.36
Current Tax	652.77	723.13
Deferred Tax	(15.20)	(7.39)
Net Profit after Tax	1,771.94	2,106.62
Other Comprehensive Income	7.61	15.88
Total Comprehensive Income for the period	1,779.55	2,122.50
Earning per equity share (Face Value of ₹ 10 each)		
Basic	9.34	14.85
Diluted	9.34	14.85

2. OPERATING RESULTS & BUSINESS PERFORMANCE

Your company is engaged in the business of Manufacturing of Steel Products. During the year under review there was no change in the business of the Company.

Your Company has earned net profit after tax of ₹ 1,771.94 Lakhs for the financial year ended 31st March, 2024 as compared to a net profit after tax of ₹ 2,106.62 Lakhs in the previous financial year.

The Total Revenue from operations earned during the year is ₹ 1,07,437.81 Lakhs for the financial year ended 31st March, 2024 as compared to revenue of ₹ 1,11,437.82 Lakhs in the previous financial year.

3. DIVIDEND

The Board of Directors of your Company has deemed it prudent not to recommend any dividend for the Financial Year under report to retain the profits, in order to meet the requirements of future growth.

Further, the Board of Directors of the Company have formulated a Dividend Distribution Policy (‘the Policy’) Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’),. The Policy is available on the Company’s website: <https://www.vstlindia.com/policies.php>

4. TRANSFER TO RESERVES

Your directors has not recommended transfer of any amount of profit to reserves during the year under review. The Company has not transferred any amount from reserves and not withdrawn any amount from the reserves.

For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2024, please refer to the ‘Statement of Changes in Equity’ included in the standalone financial statements.

5. CHANGE IN NATURE OF BUSINESS, IF ANY

During the Financial Year 2023-24 under review, there was no change in the nature of business of the Company.

6. ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Indian Accounting Standards (Ind AS). Accordingly, the standalone financial statements of the Company for the financial year ended March 31, 2024, have been prepared in accordance with Ind AS as prescribed under section 133 of the Companies Act, 2013 (the “Act”), read with the relevant rules made there under and other accounting principles generally accepted in India.

7. CREDIT RATING

The Company enjoys a good reputation for its sound financial management and the ability to meet its financial obligations. The Company has received CARE BBB; Positive and CARE A3+ ratings for its long-term and short-term banking facilities.

8. SUBSIDIARY COMPANIES, ASSOCIATE COMPANIES AND JOINT VENTURE

As of the end of the financial year, the Company does not have any subsidiary companies, associate companies or joint ventures. This status reflects the Company's current strategic focus and operational structure. Consequently, there are no financial statements or performance metrics to report for subsidiary or joint venture entities. The Board continues to evaluate potential opportunities for growth and expansion, including the possibility of establishing or acquiring subsidiary companies, associate companies and entering into joint ventures, which will be pursued if they align with our strategic objectives and offer value to our stakeholders.

The policy for determining material subsidiaries of the Company is available on the Company’s website: https://www.vstlindia.com/upload_dynamic_content/policy-on-material-subsidiaries.pdf

9. SECRETARIAL STANDARDS

Your Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

10. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review there was no proceeding initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

11. PUBLIC DEPOSITS

The Company does not have any outstanding deposits from public.

Further, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 (“the Act”) and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year 2023-24. Accordingly, there are no unclaimed or unpaid deposits lying with the Company for the year under review.

Hence the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

12. CORPORATE GOVERNANCE REPORT

The Company remains dedicated to managing its operations with the utmost diligence, transparency, responsibility, accountability, and sustainability. We continuously strive to uphold the highest standards of Corporate Governance.

The Board views itself as a steward of shareholder interests, recognizing its duty to protect and enhance shareholder value. We are committed to expanding our capacities as part of our growth strategy.

Adhering to the highest levels of ethics and integrity in all business activities is a core principle of the Company. We are diligent in avoiding any conflicts of interest, ensuring that all business dealings are conducted with transparency and accountability.

To support these principles, the Company has established a corporate structure that aligns with our business needs. We maintain a high degree of transparency through regular disclosures and robust control systems, ensuring stakeholders are well-informed.

Your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Regulation are complied with. As per Regulation 34(3) Read with Schedule V of the Listing Regulations, a separate section on corporate governance, together with a certificate from the Company’s Secretarial Auditors, forms part of this Report.

13. CONTRACTS AND ARRANGEMENTS 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.

All related party transactions are placed for the approval of the Audit Committee and also before the Board and shareholders, wherever required necessary, in compliance with the provisions of the Act and SEBI (LODR) Regulations, 2015.

The Audit Committee has granted omnibus approval for related party transactions as per the provisions contained in SEBI Listing Regulations.

Your directors draw attention of the members to Note 38 to the Standalone Financial Statement which sets out related party disclosures. The policy on Related Party Transactions as approved by the Board can be accessed on the Company’s website at the https://www.vstlindia.com/upload_dynamic_content/Policy%20on%20Related%20Party%20Transactions.pdf.

14. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Business Responsibility and Sustainability Report (BRSR) is not applicable to the Company as it is not included in the top 1000 listed entities by market capitalization as on 31st March 2024. While the formal requirements of BRSR do not apply, the Company remains committed to maintaining high standards of business responsibility and sustainability in its operations.

15. CORPORATE SOCIAL RESPONSIBILITY

We at VSTL aim to create economic value and to actively contribute towards the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance. In line with the requirement of Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility) Rules 2014, the Board of Directors have constituted a Corporate Social Responsibility (CSR) Committee. The details of Committee and the terms of reference are provided in corporate governance report forming part of this report.

During the year under review the Company has spent ₹ 21,94,500 (Rupees Twenty-one lakhs ninety-four thousand five hundred) on CSR activities. Annual Report on CSR Activities as required under the Companies (Corporate Social Responsibility) Rules, 2014 has been appended as Annexure-I and forms an Integral part of this report.

The Committee has formulated policy for CSR Activities and is placed on the website of the Company at https://www.vstlindia.com/upload_dynamic_content/Corporate%20Social%20Responsibility%20Policy.pdf.

During the year under review two CSR Committee Meetings has been conducted.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, in relation to the Audited Financial Statements of the Company for the year ended 31st March 2024, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards had been followed and there has been no material departure;
- that the selected accounting policies were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of

the profit and loss of the Company for the year ended on that date;

- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Company had prepared the annual accounts on a going concern basis;
- the directors had laid down internal financial controls which are followed by the Company and such internal financial control are adequate and were operating effectively; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and were operating effectively.

17. CHANGE IN THE NAME AND CONVERSION OF OUR COMPANY

The Company is converted from Private Limited Company to Public Limited Company w.e.f. 7th July, 2023. On Conversion from a private limited company to a public limited company, the name of your Company was changed from 'Vibhor Steel Tubes Private Limited' to 'Vibhor Steel Tubes Limited' with effect from 7th July, 2023.

18. SHIFTING OF REGISTERED OFFICE

The Company has shifted its registered office from 2139/1553, Thandi Sarak, Hisar, Haryana to Plot No. 2 Industrial Development Colony, Delhi Road, Hisar, Haryana 125005 w.e.f. 17th August, 2023.

19. INITIAL PUBLIC OFFERING:

During the financial year 2023-24, the Company successfully launched an Initial Public Offer (IPO) of 47,79,443 equity shares of face value of ₹ 10 each for cash, at a price of ₹ 151 per equity share (including a premium of ₹ 141 per equity share) aggregating to ₹ 7216.96 lakhs. Total Net Proceeds received by the Company pursuant to the IPO aggregates to ₹ 6537.16 lakhs.

The Board remains grateful to all investors for their overwhelming response to the IPO.

The shares of the Company have been listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) w.e.f. February 20, 2024. The Company's shares are compulsorily traded in dematerialized form.

As of March 31, 2024, 100% Shares of the Company are held in demat form. The listing fees for the year 2024-25 have been paid to both BSE as well as NSE.

20. CHANGES IN SHARE CAPITAL**AUTHORISED SHARE CAPITAL**

During the financial year 2023-24, the Company has increased its Authorised Share Capital from ₹ 14,50,00,000/- (Rupees Fourteen Crores Fifty Lakhs Only) consisting of 1,45,00,000 (One Crore Forty-Five Lakhs Only) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 20,00,00,000/- (Rupees Twenty Crores Only) consisting of 2,00,00,000 (Two Crores only) Equity Shares of ₹ 10/- (Rupees Ten) each.

ISSUED & PAID-UP SHARE CAPITAL

During the financial year 2023-24, the Company successfully launched an Initial Public Offer (IPO) of 47,79,443 equity shares of face value of ₹ 10 each for cash, at a price of ₹ 151 per equity share (including a premium of ₹ 141 per equity share) aggregating to ₹ 7216.96 lakhs. Since there was primary issuance of shares, the paid-up share capital of the Company has been increased from 14,18,30,000 to 18,96,24,430. The equity shares were allotted to eligible applicants on February 19, 2024, and the listing and trading of the Company's shares commenced on February 20, 2024, on BSE Limited and National Stock Exchange of India Limited.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year following changes took place in the Composition of Board of Director and Key Managerial Personnel of the Company:

- Mr. Nikunj Haresh Gatecha (ICSI Mem No. A57115) Company Secretary resigned w.e.f. 26th June, 2023.
- Mr. Lovkesh (ICSI Membership No. A68975) is appointed as Company Secretary & Compliance Officer w.e.f. 27th June, 2023.
- Mr. Anil Jain is appointed as Chief Financial Officer of the Company w.e.f. 27th June, 2023.
- Mr. Vikram Grover (DIN: 09692781) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Shiv Kumar Singhal (DIN: 00940261) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Sanjeev Gupta (DIN: 00945812) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Ashwani Kumar Garg (DIN: 00387749) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.

- Mr. Abhiram Tayal (DIN:00081453) has been appointed as a Non-Executive Independent Director for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Mr. Vibhor Kaushik (DIN: 01834866) has been appointed as Managing Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Mr. Vijay Kaushik (DIN: 02249672) has been appointed as Chairman and Executive Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Ms. Vijay Laxmi Kaushik (DIN: 00249677) has been appointed as Whole Time Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Ms. Pratima Sandhir (DIN: 07756142) has been appointed as Whole Time Director of the Company for a period of 5(five) consecutive years w.e.f. 28th August 2023.

22. CONSTITUTION OF BOARD COMMITTEES

The Board of Directors, in its meeting dated 21st September 2023, has constituted the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Corporate Social Responsibility Committee
- IPO Committee

These committees have been established to ensure effective governance and oversight in their respective areas.

A detailed note on the composition of the Committees is provided in the Corporate Governance Report that forms part of this Report.

23. EVENTS SUBSEQUENT TO FINANCIAL STATEMENTS**CONSTRUCTION OF NEW FACILITY I.E. UNIT III IN ODISHA**

Your Company has commenced the construction of new facility i.e. Unit III in Odisha located at Village Podbahal under Sardar Sundargarh Tahsil in the district of Sundargarh as mentioned in the Prospectus filed by the Company. Commissioning, testing and trail will take 2 months and plant is expected to be operational by end of September 2024. Upon operational, the capacity of the Company will be increased by 1,20,000 M.T. per annum.

PENALTY FOR NON-COMPLIANCE OF CERTAIN PROVISIONS UNDER WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974 AND AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

Your Company has received an Intimation from HDFC Bank vide its e-mail dated 25th April 2024 IST 1.30 P.M. stating that Maharashtra Pollution Control Board (Regional Office – Raigad) have issued an Unconditional Claim letter addressing the Bank for forfeiting Bank Guarantee of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) out of ₹ 5,00,000/- (Rupees Five Lakhs Only) given as Bank Guarantee through HDFC Bank for non-compliance of certain provisions of Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 such as exceeded JVS results and using RO reject on Land for gardening and not achieve zero liquid discharge.

COMMENCEMENT OF COMMERCIAL PRODUCTION AT 2ND GI PLANT

Your Company has commenced the new Galvanizing Iron (GI) manufacturing unit in Telangana on July 17, 2024. With the commissioning of this new facility, VSTL's GI capacity in the state is set to double from 24,000 MTPA to 48,000 MTPA. The newly built manufacturing unit is spread over 1,296 Sq Mts with a capacity of 24,000 MTPA. The new manufacturing facility marks a significant milestone in the company's ongoing expansion and commitment to quality and timely delivery.

24. DECLARATION BY INDEPENDENT DIRECTOR(S)

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI LODR Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 along with code of conduct for all members of board in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

During the year under review, following changes took place in the Independent Directors of the Company:

- Mr. Vikram Grover (DIN: 09692781) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Shiv Kumar Singhal (DIN: 00940261) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Sanjeev Gupta (DIN: 00945812) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Ashwani Kumar Garg (DIN: 00387749) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Abhiram Tayal (DIN:00081453) has been appointed as a Non-Executive Independent Director for a period of 5 (five) consecutive years w.e.f. 28th August 2023.

25. BOARD MEETINGS

Twenty-Five meetings of the Board were held during the year under review. The time gap between two meetings was less than 120 days.

The Meeting details are provided in the Corporate Governance Report that forms part of this Report.

26. ANNUAL EVALUATION OF DIRECTORS, COMMITTEES AND THE BOARD

The Board of Directors has conducted an annual assessment of its own performance, Board committees, and individual Directors pursuant to Section 134(3)(p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014 and SEBI LODR.

The Board has sought inputs from all the directors based on the criteria such as 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 based on the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board concluded that all committees were discharging their functions effectively.

In separate meetings of independent directors held on 26th March 2024, the performance of non-independent directors, the Chairman, and the Board as a whole was evaluated. The same was also discussed in the meetings of Nomination and Remuneration Committee and the Board. Performance Evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

27. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee (NRC) has been mandated to oversee and develop competency requirements for the Board based on the industry requirements and business strategy of the Company. The NRC reviews and evaluates the profiles of potential candidates for appointment of Directors and meets them prior to making recommendations of their nomination to the Board. Specific requirements for the position, including expert knowledge expected are communicated to the appointee.

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2024, the Board consist of 10 members, five of whom are Executive and five are Non-Executive Independent Directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by the Board is available on the Company's website at https://www.vstlindia.com/upload_dynamic_content/Nomination%20and%20Remuneration%20Policy.pdf

We affirm that the remuneration paid to the Managing Directors and Whole-Time directors and Sitting Fees paid to Non-Executive Non-Independent Directors is as per the terms laid out in the nomination and remuneration policy of the Company.

28. FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the manufacturing facilities of the Company and interact with members of Senior Management as part of the induction programme.

The Company familiarizes its new Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, statutory and regulatory updates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management. Further details about familiarization program for Directors are provided in the Corporate Governance Report that forms part of this Annual Report.

29. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

a. Transfer of unclaimed dividend to IEPF

Since there is no unclaimed/ un-paid dividend with the Company, no amount was transferred from the Unclaimed Dividend Account to the Investor Education and Protection Fund (IEPF) established by the Central Government during the Financial Year 2023-24.

b. Transfer of shares to IEPF

In accordance with Section 124 of the Companies Act, 2013 no equity shares, has been transferred by the Company to the Investor Education and Protection Fund Authority (IEPF) during the Financial Year 2023-24.

30. CHANGE IN PROMOTER GROUP SHAREHOLDING

During the year under review, the promoter group shareholding has been decreased from 98.23% to 73.48% as a result of Initial Public Offer (IPO) that took place during the year.

31. AUDITORS AND AUDITORS' REPORT

A. Statutory Auditors

M/s Singla Shubham & Company, Chartered Accountants, Hisar (FRN: 035815N) were appointed as Statutory Auditors for a period of 5 consecutive financial years i.e., from the conclusion of 16th Annual General Meeting till the conclusion of 21st Annual General Meeting of the Company.

Since M/s Singla Shubham & Company, Chartered Accountants and Statutory Auditors of the Company does not fit into the peer review criteria required for company post Listing they tendered their resignation w.e.f. 1st September, 2023. This resulted in a casual vacancy in the office of Statutory Auditor of the Company.

Accordingly, the Board of Directors of the Company at their meeting held on 11th September, 2023, approved and recommended the appointment of M/s Ashok Kumar Goyal & Co. Chartered Accounts, Hisar having FRN: 002777N and Peer Review Certificate No. 014029 issued by Peer Review Board of ICAI, as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Singla Shubham & Company. Statutory Auditors and who shall hold such office from 2nd September, 2023 till the conclusion of 20th Annual General Meeting of the Company. M/s Ashok Kumar Goyal & Co. Chartered Accounts, Hisar, have given their consent and eligibility to this effect.

Further, the term of M/s Ashok Kumar Goyal & Co. Chartered Accounts, Hisar having FRN: 002777N and Peer Review Certificate No. 014029 issued by Peer Review Board of ICAI as Statutory Auditors to fill the casual vacancy caused by the resignation of M/s Singla Shubham & Company, Statutory Auditors expires at the conclusion of 20th Annual General Meeting and being eligible have given their consent and eligibility for appointment as Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of 20th Annual General Meeting.

The Members of the Company at their 20th Annual General Meeting held on September 30, 2023, had approved the appointment of M/s Ashok Kumar Goyal & Co., Chartered Accountants (Firm Registration No. 002777N), as the Statutory Auditors of the Company for a period of five years commencing from the conclusion of the 20th AGM held on September 30, 2023 until the conclusion of 25th AGM of the Company to be held in the year 2028. Further, the Company has also received a copy of Peer Review Certificate (No. 014029) as prescribed by the Institute of Chartered Accountants of India to the Auditors.

The Auditor's Report to the shareholders on the Standalone Financial Statement for the year ended March 31, 2024 does not contain any qualification, observation or adverse comment.

Further, there was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed thereunder.

B. Cost Auditors

The Board had appointed M/s. S K AGARWAL & ASSOCIATES, Cost Accountants (Registration No. 100322), as Cost Auditors for conducting the audit of cost records of the Company for the Financial Year 2023-24. The Cost Audit Report of the Company for the Financial Year ended March 31, 2024 will be filed with the MCA after its noting by the Board. The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

C. Secretarial Auditors

Pursuant to the provision of Section 204 of the Act, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors had appointed M/s KRS AND CO., Practicing Company Secretaries, (Peer Review No. 3967/2023), to conduct Secretarial Audit for the Financial Year ended March 31, 2024. The Secretarial Audit Report for the Financial Year

ended March 31, 2024 is annexed herewith marked as **Annexure – II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, pursuant to Regulation 24(A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company has obtained Annual Secretarial Compliance Report from Ms/ KRS AND CO., Practicing Company Secretaries and same is submitted to the stock exchange within the prescribed time limit. The Annual Secretarial Compliance Report does not contain any remarks or qualification, observations.

D. Internal Auditor

In accordance with Section 138 of the Companies Act, 2013 read with rules thereunder, M/s Asha Jain & Associates (FRN: 012687N), Chartered Accountants, was appointed as Internal Auditor of the Company for Financial Year 2023-24 to conduct the internal audit of the functions and activities of the Company. During the year under review no observation, qualification or adverse mark was reported by the Internal Auditor.

32. COST RECORDS

In terms of Rule 8(5) of Companies (Accounts) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 read with rule 3 of Companies (Cost Records and Audit) Rules, 2014 and accordingly such accounts and records are made and maintained by the Company.

33. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

In terms of the provisions of Regulation 34 of SEBI LODR Regulations, the Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company business. The shareholders are advised to refer to the separate section on the Management Discussion and Analysis in this Report.

34. STATEMENT OF DEVIATION(S) OR VARIATION(S)

Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/CMDI/162/2019 dated December 24, 2019, we hereby inform that there has been no deviation or variation in the utilization of funds raised through the Initial Public Offer (IPO) as mentioned in the prospectus of the Company.

35. INTERNAL FINANCIAL CONTROL

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. During the year under review no material or serious observations were received from the Internal Auditors of the Company for inefficiency or inadequacy of Internal Financial Controls.

The Internal Financial Controls followed by the Company are adequate and commensurate with the size and nature of the business and were operating effectively during the year under review.

36. RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company has constituted Risk Management Committee which periodically assesses risk elements in the internal and external environment, along with the cost of treating such risk elements and incorporates risk treatment plans in its strategy, business and operational plans. The details of the Risk Management Committee are included in the Corporate Governance Report which forms integral part of this report. As of the date of this report, the Company does not foresee any critical risk, which threatens its existence. Further Company has also formulated the Policy on Risk Management which can be accessed from the website at https://www.vstlindia.com/upload_dynamic_content/Risk%20Management%20Policy~0.pdf.

37. VIGIL MECHANISM AND WHISTLE BLOWER POLICY

In compliance with the provisions of Section 179(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations 2015, your Company has set up vigil mechanism viz. Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their genuine concerns, unethical behaviour, actual or suspected fraud, irregularities or violation of Company's Code of Conduct, if any, noticed by them in the Company, which could adversely affect company's operations. This mechanism also provides safeguards against victimization of employees, who avail themselves of the mechanism and provides direct access to the Chairperson of the Audit Committee.

All Directors and employees have access to the Chairperson of the Audit Committee. Further no personnel have been denied access to the Audit Committee during the period under review. The vigil mechanism is overseen by the Audit Committee and

your Company is happy to inform you that during the year, there have been no Complaints received by the Audit Committee.

The said policy is available on the website of the Company at https://www.vstlindia.com/upload_dynamic_content/Whistle%20Blower%20and%20Vigil%20Mechanism%20Policy.pdf.

38. LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Details of the Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013, if any, are given in the notes to the Financial Statements pertaining to the year under review.

39. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and out go, is required to be given pursuant to provision of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed hereto marked Annexure III and forms part of this report.

The details of foreign currency inflow and outflow during the year under review are given in **Annexure III**.

40. ANNUAL RETURN

In accordance with provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return as required under Section 92 of the Act for the Financial Year 2023-24, is available on the Company's website at <https://www.vstlindia.com/annual-return.php>.

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

Your Company has adopted policy on prevention, prohibition and redressal of sexual harassment at workplace, in line of the provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The policy aims to provide protection to employees at the workplace and to prevent and redress complaints of sexual harassment and for matters connected and incidental thereto, with an objective of providing a safe working environment where employees feel secure.

The Company has complied with the provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, VSTL reported Nil POSH Cases under the Prevention of Sexual Harassment (POSH) guidelines.

42. PREVENTION OF INSIDER TRADING

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

43. PARTICULARS OF EMPLOYEES

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **Annexure IV**.

The statement containing particulars of top 10 employees and particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided as a separate Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders, excluding the aforesaid Annexure. The said statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary. None of the employees listed in the said Annexure are related to any Director of the Company.

44. GREEN INITIATIVES

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 21st Annual General Meeting of the Company including the Annual Report for Financial Year 2023-24 are being sent to all Members whose e-mail addresses are registered with the Company/ Depository Participant(s).

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

There has been no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations.

46. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY FROM THE END OF FINANCIAL YEAR AND TILL THE DATE OF THIS REPORT

Except as disclosed elsewhere in this report, no material changes and commitments affecting the financial position of the Company occurred from the end of financial year till the date of this report.

47. OTHER DISCLOSURES:

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) Voluntary revision of Financial Statements or Board's Report;
- b) Instance of fraud which required the Statutory Auditors to report to the Audit Committee and/ or Board under Section 143(12) of the Act and rules framed thereunder;
- c) Issue of equity shares with differential rights as to dividend, voting or otherwise;
- d) Managing Directors and Whole Time Director have not received the Commission from the Company;
- e) The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions, and hence the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable;
- f) There was no instance of any Employee Stock Options, Equity Share with differential voting rights as to dividend, voting or otherwise.

48. APPRECIATION AND ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the Company's business.

Your directors are grateful towards all members for supporting and sustaining us during the intricate days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

On behalf of the Board of Directors
For VIBHOR STEEL TUBES LIMITED

Vijay Kaushik
Chairman and Director
DIN: 02249672

Vibhor Kaushik
Managing Director
DIN: 01834866

Date: 13th August 2024
Place: HISAR

Annexure I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES OF THE COMPANY IN FY 2023-24

1. A BRIEF OUTLINE OF THE COMPANY'S CSR POLICY

This Policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder. In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law. The CSR Policy of the Company shall be reviewed by the Corporate Social Responsibility Committee as and when any changes are to be incorporated in the Policy due to change in regulations or as may be felt appropriate by the committee. Any changes or modification on the Policy as recommended by the Committee would be given for approval of the Board of Directors.

2. COMPOSITION OF THE CSR COMMITTEE

As on March 31, 2024, the CSR Committee comprises of the following Board members:

#Composition of CSR Committee:

S. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Pratima Sandhir	Whole Time Director	Two	Two
2.	*Mr. Vikram Grover	Non-Executive, Independent Director	Two	One
3.	*Mr. Shiv Kumar Singhal	Non-Executive, Independent Director	Two	One

The CSR Committee was reconstituted w.e.f 21st September 2023.
* Appointed w.e.f 21st September 2023

3. PROVIDE THE WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Web link: <https://www.vstlindia.com/corporate-social-responsibility.php>

4. PROVIDE THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT):

Not Applicable

5. DETAILS OF THE AMOUNT AVAILABLE FOR SET OFF IN PURSUANCE OF SUB-RULE (3) OF RULE 7 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY:

Sr No.	Financial Year	Amount Available for Set Off (in ₹)	Amount Set off in Financial Year if any (in ₹)	Balance Amount (in ₹)
1.	F.Y. (31.03.2023)	3009171*	3009171*	NIL
2.	F.Y. (31.03.2022)	NIL	NIL	
3.	F.Y. (31.02.2021)	NIL	NIL	NIL

* Amount available for Set Off is arrived at after reconciliation from Indian GAAP to IND AS.

6. (A) AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

Year	Amount (in lakhs)
2020-21	4,16,00,284.06
2021-22	15,36,21,899.72
2022-23	28,22,36,079.75
Average Net Profit	15,91,52,754.51

7. (A) TWO PERCENT OF AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

₹ 31,83,055.09/-

(b) Surplus arising out of the CSR projects or programs or activities of the previous Financial Year:

NIL

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

₹ 30,09,171

(d) Total CSR obligation for the Financial Year [7(a)+7(b) -7(c)]:

₹ 1,73,884.09

8. (A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR:

Amount Unspent (in ₹)

Total Amount Spent for the Financial Year (in ₹)	Total Amount transferred to unspent CSR account as per section 135 (6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of Transfer
21,94,500	Nil	Nil	Nil	Nil	Nil

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

Nil

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

Sr. No.	CSR Project or activity identified	Item from the list of activities in schedule VII to the Act/ Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
1.	Animal Welfare	Animal Welfare	Hisar Haryana	4,00,000/-	4,00,000/-	4,00,000/-	Through Implementing Agency*
2.	Animal Welfare	Animal Welfare	Hisar Haryana	2,00,000/-	2,00,000/-	2,00,000/-	Directly by the Company
3.	Education	Promotion of Education	Hisar Haryana	3,94,500/-	3,94,500/-	3,94,500/-	Directly by the Company
4.	Social Welfare	Construction of Temple	Hisar, Haryana	7,00,000/-	7,00,000/-	7,00,000/-	Directly by the Company
5.	Social Welfare	Construction of Sanctuary	Hisar, Haryana	5,00,000/-	5,00,000/-	5,00,000/-	Directly by the Company

*Through Implementing Agency i.e., Shri Balaji Gaushala Smiti, Hisar, Haryana having Reg. No. CSR00020754.

(d) Amount spent in Administrative Overheads:

Nil

(e) Amount spent on Impact Assessment, if applicable:

Nil

(f) Total amount spent for the Financial Year [8(b) + 8 (c) + 8(d) + 8(e)]:

₹ 21,94,500

(g) Excess amount for set off, if any:

S No.	Particulars	Amount (in ₹)
1	Two percent of average net profit of the Company as per section 135(5)	31,83,055.09/-
2	Total amount spent for the Financial Year	21,94,500/-
3	Excess amount spent for the Financial Year [(2)-(1)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
5	Amount available for set off in succeeding Financial Years [(3) - (4)]	20,20,615.91*

* Amount available for Set Off is arrived at after deducting total CSR Obligation as per 7(d) from Total CSR Spent for the Financial Year 2023-24 as per 8(f) above.

9. (A) DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

Nil

(b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding Financial Year(s):

Nil

10. IN CASE OF CREATION OR ACQUISITION OF CAPITAL ASSET, FURNISH THE DETAILS RELATING TO THE ASSET SO CREATED OR ACQUIRED THROUGH CSR SPENT IN THE FINANCIAL YEAR (ASSET-WISE DETAILS):

Not Applicable

11. SPECIFY THE REASON, IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5):

Not Applicable.

12. A RESPONSIBILITY STATEMENT OF THE CSR COMMITTEE:

We hereby declare that implementation and monitoring of CSR Policy are in compliance with CSR objectives and policy of the Company and in line with the Companies Act, 2013.

**On behalf of the Board of Directors
For VIBHOR STEEL TUBES LIMITED**

Date: 13th August 2024
Place: HISAR

Vijay Kaushik
Chairman and Director
DIN: 02249672

Vibhor Kaushik
Managing Director
DIN: 01834866

Secretarial Audit Report

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2024

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

To,
The Members,
Vibhor Steel Tubes Limited
(Formerly known as Vibhor Steel Tubes Private Limited)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **VIBHOR STEEL TUBES LIMITED -Formerly Known as Vibhor Steel Tubes Private Limited** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period ended on **31st March, 2024**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March 2024, to the extent applicable provisions of:

- I. The Companies Act, 2013 ("The Act") the applicable and effective amendments and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the Rules made thereunder;
- III. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- IV. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") to the extent applicable to the Company: -
 - 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, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **not applicable for the period under review**
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during the audit period**);
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the audit period**);
- g. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable to the listed entity during the Review Period**)

The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test – check basis, the Company has complied with the following laws applicable specifically to the Company:

- a. The Environment (Protection) Act, 1986;
- b. Air (Prevention and Control of Pollution) Act, 1981 and Rules issued by the State Pollution Control Boards;
- c. Water (Prevention and Control of Pollution) Act, 1974 and Rules issued by the State Pollution Control Boards.
- d. The Mines Act, 1952 and rules, regulations made thereunder; and
- e. Mines and Minerals (Development & Regulations) Act, 1957 and the rules made thereunder

I have also examined compliances with the applicable provisions of the following:

- a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

- b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

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

I further report that:

The Board of Directors of the Company is constituted with proper balance of Executive, Non-Executive Director and Independent Directors. Further the changes that took place in the Composition of Board of Director and Key Managerial Personnel is as under:

- 1. Mr. Nikunj Haresh Gatecha (ICSI Mem No. A57115) Company Secretary resigned w.e.f. 26th June, 2023.
- 2. Mr. Lovkesh (ICSI Membership No. A68975) was appointed as Company Secretary & Compliance Officer w.e.f. 27th June, 2023.
- 3. Mr. Anil Jain was appointed as Chief Financial Officer of the Company w.e.f. 27th June, 2023.
- 4. The members of the Company at their Extra-Ordinary General Meeting held on 8th September 2023 approved the appointment of;
 - Mr. Vikram Grover (DIN: 09692781) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
 - Mr. Shiv Kumar Singhal (DIN: 00940261) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
 - Mr. Sanjeev Gupta (DIN: 00945812) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
 - Mr. Ashwani Kumar Garg (DIN: 00387749) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- 5. The Members at the Extra-Ordinary General Meeting held on 21st September 2024 approved the appointment of;
 - Mr. Abhiram Tayal (DIN:00081453) as Non-Executive Independent Director for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
 - Mr. Vibhor Kaushik (DIN: 01834866) as Managing Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
 - Mr. Vijay Kaushik (DIN: 02249672) as Chairman and Executive Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.

- Ms. Vijay Laxmi Kaushik (DIN: 00249677) as Whole Time Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Ms. Pratima Sandhir (DIN: 07756142) as Whole Time Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.

The Notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that during the audit period the Company has taken following actions or enter into events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- 1. The Company is converted from Private Limited Company to Public Company Limited Company w.e.f. 7th July, 2023. Consequently, the name of the Company is changed from Vibhor Steel Tubes Private Limited to Vibhor Steel Tubes Limited.
- 2. The members of the Company at their extra-ordinary general meeting held on 14th June, 2023 accorded their approval to the following:
 - Pursuant to Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013, increased the borrowing powers of the Company for a sum not exceeding ₹ 500 Crore (Rupees Five Hundred Crores Only).
 - Limits for Loans and Investments pursuant to the provisions of Section 186 of the Companies Act, 2013 for a sum not exceeding ₹ 100 Cores (Rupees Hundred Cores Only).
 - Adoption of New Set of Articles of Association.
 - Increase the Authorized Share Capital of the Company from ₹ 14,50,00,000 (Rupees Fourteen Crore Fifty Lakhs) divided into 1,45,00,000 (one Crore Forty-Five Lakhs) equity shares of ₹ 10 each to ₹ 20,00,00,000 (Rupees Twenty Crore) divided into 2,00,00,000 (Two Crore) equity shares of ₹ 10 each.
 - Conversion of Company from Private to Public.
- 3. The Company has shifted its registered office from 2139/1553, Thandi Sarak, Hisar, Haryana to Plot No. 2 Industrial Development Colony, Delhi Road, Hisar, Haryana 125005 i.e., within the limits of the same town/city, w.e.f. 17th August, 2023.

4.

The Members of the Company at their extra-ordinary general meeting held on 8th September 2023, have accorded their approval for Initial Public Offer through issue of fresh shares/ offer of existing shares for an amount including securities premium not exceeding ₹ 100 Crore (Rupees Hundred Crore Only). After obtaining shareholders approval the Company successfully launched an Initial Public Offer (IPO) of 47,79,443 equity shares of face value of ₹1 0 each for cash, at a price of ₹ 151 per equity share (including a premium of ₹ 141 per equity share) aggregating to ₹ 7216.96 lakhs. Total Net Proceeds received by the Company pursuant to the IPO aggregates to ₹ 6537.16 lakhs. The shares of the Company have been listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) w.e.f. February 20, 2024.
5.

As on date of signing this report Maharashtra Pollution Control Board (Regional Office – Raigad) vide its letter dated 25th April 2024 have issued an Unconditional Claim letter addressing HDFC Bank for forfeiting Bank Guarantee of ₹ 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) out of ₹ 5,00,000/- (Rupees Five Lakhs Only) given as Bank Guarantee through HDFC Bank for non-compliance of certain
- provisions of Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981 such as exceeded JVS results and using RO reject on Land for gardening and not achieve zero liquid discharge.
6.

M/s Singla Shubham & Company, Chartered Accountants and Statutory Auditors of the Company have resigned as Statutory Auditors w.e.f. 1st September, 2023. Further, the Board of Directors at their meeting held on 11th September, 2023 have appointed Ashok Kumar Goyal &Co. Chartered Accounts, Hisar having FRN: 002777N, to fill the casual vacancy caused by the resignation of M/s Singla Shubham & Company, Chartered Accountants, Hisar. Further the Shareholders at the 20th Annual General Meeting of the Company approved the appointed of Ashok Kumar Goyal &Co. Chartered Accounts, Hisar having FRN: 002777N as Statutory Auditors in casual vacancy and also approved their appointment as Statutory Auditors for a period of 5 (five) years and that they shall hold such office from the conclusion of 20th Annual General Meeting till the conclusion of 25th Annual General Meeting of the Company.

Date: 13th August 2024
Place: Thane
UDIN No: A037829F000962390
Peer Review: 3967/2023

For KRS AND CO.
Practicing Company Secretaries

Ketan Ravindra Shirwadkar
Proprietor
ACS No.: 37829
CP No.: 15386

This report is to be read with my letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

Annexure 1

To,
The Members,
Vibhor Steel Tubes Limited.
(Formerly Vibhor Steel Tubes Private Limited)

- My 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. My responsibility is to express an opinion on these Secretarial records based on my audit.

2.

I have followed the audit practices and processes as are 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3.

I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
5.

The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 13th August 2024
Place: Thane
UDIN No: A037829F000962390
Peer Review: 3967/2023

For KRS AND CO.
Practicing Company Secretaries

Ketan Ravindra Shirwadkar
Proprietor
ACS No.: 37829
CP No.: 15386

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013
READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) CONSERVATION OF ENERGY:

The Company has a manufacturing plant at **Raigad, Maharashtra (Unit-I) and Mahabubnagar, Telangana (Unit-II)**. The company is in the process of establishing its third plant in **Sundargarh, Odisha (Unit-III)**. The details of activities regarding conservation of energy, technology absorption and foreign exchange earnings and Outgo are as follows:

Steps taken or impact on conservation of energy	Efforts are being continuously made to monitor the consumption and reduce energy costs. Your Company has implemented latest state-of-the-art clean technologies to reduce power consumption. Installation of energy-efficient Led lights instead of conventional lighting systems at plants and units.
Steps taken by the company for utilizing alternate sources of energy	The Company has significant focus on Restoration and Rehabilitation of degraded ecosystem is continuously exploring sustainable solutions for energy consumption.
Capital investment on energy conservation equipments	Nil

(B) TECHNOLOGY ABSORPTION:

Efforts made towards technology absorption	There has been a significant approach and focus on the sustainable solutions and products in the development.
Benefits derived like product improvement, cost reduction, product development or import substitution	The R & D activity is to focus on new sustainable solutions reduce water, time and energy consumption.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	NA
Year of import	NA
Whether the technology has been fully absorbed	NA
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
Expenditure incurred on Research and Development	NA

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

	1st April, 2023 to 31st March, 2024 [Current F.Y.] Amount in (₹)	1st April, 2022 to 31st March, 2023 [Previous F.Y.] Amount in (₹)
Actual Foreign Exchange earnings	32,84,16,700.84	25,60,12,499.42
Actual Foreign Exchange outgo	17,91,50,170.76	24,09,626.61

On behalf of the Board of Directors
For VIBHOR STEEL TUBES LIMITED

Vijay Kaushik	Vibhor Kaushik
Chairman and Director	Managing Director
DIN: 02249672	DIN: 01834866

Date: 13th August 2024
Place: HISAR

Details of Remuneration of Directors, Key Managerial Personnel and
Employees and comparatives

[Pursuant to Section 197 and Rule 5(1) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. A.) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the FY 2023-24:

Sr. No.	Name of Director	Designation	Ratio of remuneration to median remuneration	% increase in the remuneration
Executive Directors				
1.	Mr. Vibhor Kaushik	Managing Director	119	14
2.	Mr. Vijay Kaushik	Chairman and Executive Director	103	17
3.	Ms. Vijay Laxmi Kaushik	Whole Time Director	85	18
4.	Ms. Pratima Sandhir	Whole Time Director	101	15
5.	Mr. Pankaj Kumar Rai	Executive Director	4.2	-
Key Managerial Personnels				
6.	Mr. Anil Jain	Chief Financial Officer	5.3	#N.A.
7.	Mr. Lovkesh Papneja	Company Secretary & Compliance Officer	3.7	#N.A.

Notes:

* The Company has not paid any remuneration to Non-Executive Independent Directors except sitting fees for attending Board and Committee Meeting for the Financial Year 2023-24.

Mr. Anil Jain, Chief Financial Officer and Mr. Lovkesh Papneja, Company Secretary & Compliance Officer were appointed w.e.f 27.06.2023. Hence increase in remuneration is not mentioned above for the F.Y. 2023-24, being first year of their appointment.

- B.) A break-up of median remuneration for employees is given below:

Employee Group	Median Remuneration (₹)*	Increase In Median Remuneration (%)
Full time Employees	1,83,768	6.56%

*The number of permanent employees on the rolls of Company as of March 31, 2024: 660

2. The Company decides the remuneration of its Managerial Personnel on the basis of Cost to Company (CTC), whereas, under the provisions of the Act, the managerial remuneration is calculated as per the Income Tax Act, 1961. To provide the fair interpretation of median, the annual Cost to Company (CTC) has been considered and not actual payout during the year, which could vary on account of several reasons. The reported figures look higher or lower depending on the components of the CTC.
3. Average percentiles increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average Percentile increase in salaries of employees other than managerial personnel in the lats financial year i.e., 2023-24 was 10.40, while the average percentile increase in remuneration of managerial personnel was 0.89.

The increments given to each individual employee is based on the employees' performance and retention & motivation policy of the Company. Average Increase in the remuneration of employees other than the managerial personnel and that of the managerial personnel is in line with the industry practice and is within the normal range. There are no exceptional circumstances for increase in the managerial remuneration.

4. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company confirms that the remuneration is as per the remuneration policy of the Company.

On behalf of the Board of Directors
For VIBHOR STEEL TUBES LIMITED

Vijay Kaushik	Vibhor Kaushik
Chairman and Director	Managing Director
DIN: 02249672	DIN: 01834866

Date: 13th August 2024
Place: HISAR

Report on Corporate Governance

In compliance with the provisions of Regulation 34 read with Part C of Schedule V of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company submits the Report on Corporate Governance for the financial year ended March 31, 2024.

1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance comprises various laws, regulations, procedures, implicit rules and good corporate practices which ensure the Company’s adherence to fair practices. Your Company believes that Corporate Governance is an ethically driven business process that is essential for maintaining sustained growth of the organization and for enhancing shareholder value.

Your Company’s philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Board has defined a set of Corporate Governance best practices and guidelines to help fulfill our Corporate Responsibility towards our Stakeholders based on the principles of good corporate governance viz., integrity, equity, transparency, fairness, disclosure, accountability and commitment to values. The Directors, as well as the Senior Management, have always considered Stakeholders’ Engagement as a key driver of sustainable business. The Needs and Demands of the Stakeholders are always catered to as a priority.

The Company has established business module, systems and procedures to ensure that its Board of Directors are well- informed and well-equipped to fulfil its overall responsibilities and to provide the management with the strategic direction needed to create long-term stakeholders value. The Company’s value creation is based on equitable, inclusive, excellent, integrity, transparent and collaborative stakeholder practices. The Company promotes a safe, healthy and happy workplace for its employees.

Your Company has adopted a Code of Conduct for Senior Management and the Board of Directors which is also available on the website of the Company. It also believes that good Corporate Governance is a key to preserving and enhancing trust bestowed by the investors and ensures long term relationships

with other stakeholders which shall ultimately help the Company to achieve its objectives in the long run and strengthen the relations.

Your Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance and makes timely and transparent disclosures regarding financial positions, performances and other related matters to SEBI and the Ministry of Corporate Affairs and complies with all mandatory requirements of Corporate Governance laid down under the Listing Regulations.

2. BOARD OF DIRECTORS:

• Composition of Board:

Your Company has a very balanced and diverse Board of Directors, which primarily takes care of the business needs and stakeholders’ interests. The composition of the Board conforms with Regulation 17 of the Listing Regulations, read with Section 149 of the Companies Act, 2013 ("the Act") as amended from time to time with an ideal combination of Executive and Non-Executive Directors with Woman Directors. The composition of the Board as on March 31, 2024 stands as follows :

- One (1) is Managing Director,
- One (1) is Chairman cum Executive Director,
- Two (2) are Women Whole time Director.
- One (1) is Executive Director and
- Five (5) are Independent Directors.

None of the Directors on the Board is a member of more than 10 Committees or Chairperson of more than 5 Committees across all Public Companies in which he/ she is a Director. None of the Executive Directors on the Board serve as independent directors in more than three listed companies. Further, none of the Independent Directors on the Board is serving as an Independent Director in more than seven listed companies. The necessary disclosures regarding Committee positions have been made by all the Directors and the same has been reported to the Stock Exchanges through the Corporate Governance Report filed quarterly.

The number of Directorships and Committee Chairpersonships/Memberships held by the Directors in other Indian Public Limited Companies as on March 31, 2024, are given hereinbelow.

Name of Director	Designation	Category	No of Directorship in other public limited companies (including this Company) #	No. of Committee Membership in other public limited companies (including this Company) ##	No. of Chairmanship In Committees in other public limited companies (including this Company) ##
Mr. Vijay Kaushik	Chairman	Promoter – Executive 2 Director		2	2
Mr. Vibhor Kaushik	Managing Director	Promoter – Executive 3 Director		4	1
Ms. Vijay Laxmi Kaushik	Whole-Time Director	Promoter – Executive 1 Director		1	-
Ms. Pratima Sandhir	Whole-Time Director	Promoter Group – Executive Director	1	-	-
Mr. Pankaj Kumar Rai	Director	Executive Director	1	-	-
Mr. Shiv Kumar Singhal	Director	Non-Executive Independent Director	2	-	-
Mr. Abhiram Tayal	Director	Non-Executive Independent Director	4	-	-
Mr. Sanjeev Gupta	Director	Non-Executive Independent Director	1	1	-
Mr. Ashwini Kumar Garg	Director	Non-Executive Independent Director	1	1	1
Mr. Vikram Grover	Director	Non-Executive Independent Director	2	3	1

Notes:

Includes only Listed Companies.

In terms of the provisions of Regulation 26 of the Listing Regulations, total number of Directorships excludes directorship in the Companies, Foreign Companies, Private Companies, Companies formed under Sec. 25 of erstwhile Companies Act 1956 and under Sec. 8 of the Act.

In terms of the provisions of Regulation 26 of the Listing Regulations, Chairmanship/ Membership of the Committees only includes the Audit and Stakeholders Relationship Committee in other Indian Public Companies (Listed and Unlisted).

• Names of the Listed entities where the person is a director and category of Directorship.

Name of the Director	Name of the listed entities and category of Directorship
Mr. Vijay Kaushik	1. Vibhor Steel Tubes Limited – Chairperson and Executive Director
	2. Jindal Drilling and Industries Limited – Non-Executive Independent Director
Mr. Vibhor Kaushik	1. Vibhor Steel Tubes Limited – Managing Director
	2. Sudha Apparels Limited – Non-Executive Independent Director
	3. Stable Trading Co Limited - Non-Executive Independent Director
Ms. Vijay Laxmi Kaushik	1. Vibhor Steel Tubes Limited – Whole-Time Director
Ms. Pratima Sandhir	1. Vibhor Steel Tubes Limited – Whole-Time Director
Mr. Pankaj Kumar Rai	1. Vibhor Steel Tubes Limited – Executive Director
Mr. Shiv Kumar Singhal	1. Vibhor Steel Tubes Limited – Non-Executive Independent Director
	2. Jindal Drilling and Industries Limited – Non-Executive Non-Independent Director

Name of the Director	Name of the listed entities and category of Directorship
Mr. Abhiram Tayal	1. Vibhor Steel Tubes Limited - Non-Executive Independent Director 2. Hexa Tradex Limited - Non-Executive Independent Director 3. Jindal Saw Limited – Non-Executive Independent Director 4. Hisar Metal Industries Limited – Managing Director
Mr. Sanjeev Gupta	1. Vibhor Steel Tubes Limited – Non-Executive Independent Director
Mr. Ashwini Kumar Garg	1. Vibhor Steel Tubes Limited – Non-Executive Independent Director
Mr. Vikram Grover	1. Vibhor Steel Tubes Limited – Non-Executive Independent Director 2. Virtual Soft Systems Limited - Non-Executive Independent Director

Independent Directors:

- Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with the rules framed thereunder. The maximum tenure of the Independent Directors complies with the Act. All the Independent Directors have confirmed that:
- a. They meet the criteria of independence and fulfill the conditions specified in the Listing Regulations and Section 149 of the Act and are independent of the management.
 - b. They are not aware of any circumstance or situation that exists or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an objective independent judgment and without any external influence.
 - c. Not being a director in more than ten public companies (to a limit of seven listed companies) and ten private companies, aggregating to not more than twenty companies.

Based on the declarations received, the Board of Directors confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. All the Independent Directors of the Company comply with the criteria's pertaining to the maximum number of directorships as per Regulation 17A of Listing Regulations.

Changes in the Board during the year:

During the year following changes took place in the Composition of Board of Director and Key Managerial Personnel of the Company:

- Mr. Nikunj Haresh Gatecha (ICSI Mem No. A57115) Company Secretary resigned w.e.f. 26th June, 2023.
- Mr. Lovkesh (ICSI Membership No. A68975) is appointed as Company Secretary & Compliance Officer w.e.f. 27th June, 2023.
- Mr. Anil Jain is appointed as Chief Financial Officer of the Company w.e.f. 27th June, 2023.
- Mr. Vikram Grover (DIN: 09692781) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Shiv Kumar Singhal (DIN: 00940261) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Sanjeev Gupta (DIN: 00945812) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Ashwani Kumar Garg (DIN: 00387749) has been appointed as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
- Mr. Abhiram Tayal (DIN:00081453) has been appointed as a Non-Executive Independent Director for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Mr. Vibhor Kaushik (DIN: 01834866) has been appointed as Managing Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Mr. Vijay Kaushik (DIN: 02249672) has been appointed as Chairman and Executive Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Ms. Vijay Laxmi Kaushik (DIN: 00249677) has been appointed as Whole Time Director of the Company for a period of 5 (five) consecutive years w.e.f. 28th August 2023.
- Ms. Pratima Sandhir (DIN: 07756142) has been appointed as Whole Time Director of the Company for a period of 5(five) consecutive years w.e.f. 28th August 2023.

Meetings of the Board of Directors:

The Notice of the Scheduled Meeting is sent to the concerned Directors well in advance. The Company Secretary intimates the date of the Board Meetings and its outcome to the concerned Stock Exchange* as stated in Regulation 30 read with Part A of Schedule III of the Listing Regulations (*w.e.f February 20, 2024 being date of listing). The Directors are also given an option of attending the Board Meeting through video conferencing as the Company is equipped with Video Conferencing facilities.

During the Financial Year 2023-2024, the Board of the Company met Twenty Five (25) times on April 03, 2023, April 04, 2023, April 13, 2023, April

24, 2023, May 15, 2023, June 07, 2023, June 19, 2023, June 27, 2023, July 05, 2023, August 02, 2023, August 10, 2023, August 14, 2023, August 17, 2023, August 28, 2023, September 11, 2023, September 21, 2023, September 29, 2023, October 17, 2023, November 30, 2023 January 24, 2024, February 05,2024, February 12, 2024, February 16, 2024, March 07, 2024, and March 26, 2024 with the consent from directors to convene the meeting on shorter notice, if any. The necessary quorum was present throughout, at all the Board Meetings. The name and categories of the Directors on the Board, their attendance at the Board Meetings held during the year 2023-2024 and at the 20th Annual General Meeting held on September 30, 2023 are as follows:

Name	Designation	Category	Number of Board Meetings held during the Financial Year 2023-2024			Whether attended the AGM held September 30, 2023
			Held	Entitled to attend	Attended	
Mr. Vijay Kaushik	Chairman	Promoter – Executive Director	25	25	25	Yes
Mr. Vibhor Kaushik	Managing Director	Promoter – Executive Director	25	25	24	Yes
Ms. Vijay Laxmi Kaushik	Whole-Time Director	Promoter – Executive Director	25	25	24	Yes
Ms. Pratima Sandhir	Whole-Time Director	Promoter Group – Executive Director	25	25	23	Yes
Mr. Pankaj Kumar Rai	Director	Executive Director	25	25	23	Yes
Mr. Shiv Kumar Singhal	Director	Non-Executive Independent Director	25	13	8	Yes
Mr. Abhiram Tayal	Director	Non-Executive Independent Director	25	11	7	Yes
Mr. Sanjeev Gupta	Director	Non-Executive Independent Director	25	13	9	Yes
Mr. Ashwini Kumar Garg	Director	Non-Executive Independent Director	25	13	9	Yes
Mr. Vikram Grover	Director	Non-Executive Independent Director	25	13	8	Yes

The gap between the two board meetings did not exceed 120 days.

Meetings of Independent Directors:

- The meeting of Independent Directors was held on 26th March, 2024 without the attendance of non-independent directors to discuss, inter-alia:
- a. Review the performance of Non-Independent Directors and the Board as a whole for the financial year 2023-2024
 - b. Review the performance of the Chairperson of the Company, taking into consideration, the

- views of Executive Directors and Non-Executive Directors; and
- c. Assess the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

Detailed reason for Resignation of Independent Directors:

During the Financial Year 2023-24 no Independent Director resigned from their office before the expiry of his term.

Quorum:

The quorum for Board as well as Committee Meetings is one third or two directors/members of committees, as the case may be, whichever is higher.

Information placed before the Board:

The agenda of the meeting is set by the Company Secretary in consultation with the Chairperson. Agenda of the Board Meetings, along with the explanatory notes and annexures thereto and distributed in advance to the Directors before each meeting. The Company Secretary is responsible for collation, review and distribution of all the papers submitted to the Board and Committees thereof for their consideration. Information pursuant to Corporate Governance practices as required under Part A of Schedule II of the Listing Regulations has been made available to the Board from time to time.

The Management periodically places Compliance Reports concerning all applicable laws to the Company before the Board of Directors for its review.

Directors with the material pecuniary or business relationship with the Company:

The Independent Directors have no pecuniary relationship, other than sitting fees.

Disclosure of relationship between Directors inter-se:

Name of Director	Designation	Relation
Mr. Vijay Kaushik	Chairman Cum Executive Director	Father of our Promoter cum Managing Director – Mr. Vibhor Kaushik Husband of our Promoter cum Whole Time Director- Ms. Vijay Laxmi Kaushik Father-in-Law of our Whole Time Director-Ms. Pratima Sandhir
Mr. Vibhor Kaushik	Managing Director	Son of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Son of our Promoter cum Whole Time Director- Ms. Vijay Laxmi Kaushik Husband of our Whole Time Director-Ms. Pratima Sandhir
Ms. Vijay Laxmi Kaushik	Whole-Time Director	Wife of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Mother of our Promoter cum Managing Director – Mr. Vibhor Kaushik Mother-in-Law of our Whole Time Director-Ms. Pratima Sandhir

Name of Director	Designation	Relation
Ms. Pratima Sandhir	Whole-Time Director	Wife of our Promoter cum Managing Director – Mr. Vibhor Kaushik Daughter-in-Law of our Promoter, Chairman cum Executive Director – Mr. Vijay Kaushik Daughter-in-Law of our Promoter cum Whole Time Director- Ms. Vijay Laxmi Kaushik

Number of shares held by Non-Executive Directors:

None of the Non-Executive Directors hold any Shares or convertible instruments of the Company as on March 31, 2024.

Familiarization Program for Independent Directors:

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the manufacturing facilities of the Company and interact with members of Senior Management as part of the induction program. The Senior Management make presentations giving an overview of the Company’s strategy, operations, products, markets, group structure, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of the Company, its people, values and culture and facilitates their active participation in overseeing the performance of the Management.

The Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize themselves with your Company’s procedures and practices.

The details of the familiarization program conducted by the Company during the financial year 2023-24 are available on the website of the Company at https://www.vstlindia.com/upload_dynamic_content/vstl-familiarization-programme-for-board-members.pdf

Board Diversity

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

Your Company has adopted a policy on Board Diversity. The same is also available on the website of the Company at https://www.vstlindia.com/upload_dynamic_content/Board%20Diversity%20Policy.pdf

Company’s policy on Directors’ Appointment and Remuneration including criteria for determining Qualifications, Positive Attributes, Independence of a Director:

Your Company has adopted the Guidelines on Board Effectiveness (“Governance Guidelines” or “guidelines”) which inter-alia cover the criteria for determining the qualifications, attributes and independence of a director.

The remuneration policy of the Company is designed to attract, retain and motivate the employees and Directors to work towards achieving the business targets. According to provisions mentioned under Section 178 of the Act, the Nomination and Remuneration Committee (‘NRC’) has formulated a Remuneration Policy for the appointment and determination of remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees of your Company. The NRC has also developed the criteria for determining the qualifications, positive attributes and independence of Directors and for making payments to Executive and Non-Executive Directors of the Company.

The NRC takes into consideration the best remuneration practices in the industry while fixing appropriate remuneration packages and administering long-term incentive plans. Annual Increments of the Board Members, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) are recommended by the NRC to the Board whenever seems necessary. Further, the compensation package of the Directors, KMP, SMP and other employees is designed based on the set of principles enumerated in the said policy.

The Nomination and Remuneration Policy is available on the Company’s website at

https://www.vstlindia.com/upload_dynamic_content/Nomination%20and%20Remuneration%20Policy.pdf

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 read with the SEBI Listing Regulations, a Board Evaluation Framework has been approved by the Nomination and Remuneration Committee (NRC) and the Board.

The Board carried out an annual performance evaluation of the Independent Directors individually as well as of the Board. The performance evaluation of the Executive and Non-Executive Directors, including Chairperson and Board of Directors as a whole was carried out by the Independent Directors. The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level with the participation of all concerned in an environment

of harmony. The Board acknowledges its intention to establish and follow best practices in Board Governance in order to fulfil its fiduciary obligation to the Company. The Board believes that the evaluation will lead to a closer working relationship among the Board members, greater efficiency in the use of the Board’s time and increased effectiveness of the Board as a governing body.

The Directors expressed their satisfaction with the evaluation process.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Board has identified the following skills/expertise/competencies available to the Board regarding its business and industry:

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence. The Company has identified the following skills/expertise/competencies for the effective functioning of the Company:

Area of Expertise	Description
Strategic Thinking, Planning and Business Operations	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities. Experience in driving business success in the markets around the world with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and have a broad perspective on market opportunities.
Finance	Ability to comprehend, interpret and guide on financial management, reporting, controls and analysis
Leadership	Ability to have vision, mission, execution, dynamism, and learning agility to lead the Corporate from the front.
Technology	Significant background in technology resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend or create new business models.
Governance and Risk Management	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.
Human Resource	Ability to have integrity, patience, leadership, social responsibilities, ethical values and good communication skills.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance Company reputation.

The current composition of the Board comprises of following skills and expertise:

Name of the Director	Area of Expertise						
	Strategy, Planning & Business Operations	Finance	Leadership	Technology	Governance and Risk Management	Human Resources	Sales and Marketing
Mr. Vijay Kaushik	✓	✓	✓	-	✓	-	✓
Mr. Vibhor Kaushik	✓	✓	✓	✓	✓	✓	✓
Ms. Vijay Laxmi Kaushik	✓	-	✓	✓	✓	✓	-
Ms. Pratima Sandhir	✓	✓	✓	✓	✓	-	✓
Mr. Pankaj Kumar Rai	✓	✓	-	✓	✓	-	✓
Mr. Shiv Kumar Singhal	✓	✓	✓	-	✓	✓	-
Mr. Abhiram Tayal	-	✓	✓	-	✓	-	✓
Mr. Sanjeev Gupta	✓	✓	-	✓	✓	-	-
Mr. Ashwini Kumar Garg	✓	✓	-	-	✓	-	-
Mr. Vikram Grover	-	✓	✓	-	✓	-	✓

BOARD COMMITTEES:

- As on March 31, 2024 Board has six (06) committees –
 - Audit Committee;
 - Nomination and Remuneration Committee;
 - Stakeholders Relationship Committee;
 - Corporate Social Responsibility Committee; and
 - Risk Management Committee
 - IPO Committee

the meetings held during the Financial Year 2023-2024 is as under:

Name of the Director	Designation	Category	No. of meetings attended
Mr. Ashwini Kumar Garg	Chairperson	Independent Director	5
Mr. Sanjeev Gupta	Member	Independent Director	5
Mr. Vibhor Kaushik	Member	Managing Director	3

3. AUDIT COMMITTEE:

The Audit Committee (the “Committee”) is constituted by the Board of Directors at their meeting held on 21st September, 2023. The Constitution of the Committee is in accordance with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meeting of board and its powers) Rule, 2014. The committee acts as a link between the management, statutory auditors, internal auditors and the board. All the members of the Audit Committee are financially literate and possess accounting or related financial management expertise by virtue of their experience and background. The Chairperson of the Audit Committee was present at the Annual General Meeting of the Company held on Saturday 30th September, 2023 to answer the Shareholder’s Queries.

During the Financial Year 2023-2024, Members of the Audit Committee met Five (05) times on 17th October, 2023, 30th November, 2023, 24th January, 2024, 07th March, 2024 and 26th March, 2024 and requisite quorum was present in every meeting.

The composition of the Audit Committee as on March 31, 2024 and the attendance of members in

Terms of Reference:

- Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, remuneration and terms of appointment of the statutory auditor of the Company;
- Reviewing and monitoring the statutory auditor’s independence and performance, and effectiveness of audit process;
- Approving payments to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;

- Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;
 - Approval or any subsequent modifications of transactions of the Company with related parties;
 - Scrutinizing of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluating of internal financial controls and risk management systems;
 - Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussing with internal auditors on any significant findings and follow up thereon;
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - Reviewing the functioning of the whistle blower mechanism;
 - Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;
 - Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/ provided under the Companies Act, the Listing Regulations or by any other regulatory authority;
 - Reviewing the utilization of loans and/ or advances from/investment by the holding company in any subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as per applicable law;
 - Formulating a policy on related party transactions, which shall include materiality of related party transactions;
 - Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services; and
 - Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
 - Laying down the criteria for granting omnibus approval in line with the Company’s policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
 - Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
 - To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control

under the said regulations are adequate and are operating effectively; and

28. Carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee meetings are attended by Mr. Anil Jain, Chief Financial Officer. The Statutory Auditors and Internal Auditors, upon invitation, attend the meetings. Company Secretary acts as Secretary to the Audit Committee.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted by the Board of Directors at their meeting held on 21st September, 2023. The composition of the Nomination and Remuneration Committee is in conscience with the provisions of Regulation 19 of the Listing Regulations, read with Section 178 of the Act, as amended from time to time; and the Chairman of the Committee is an Independent Director. The Chairman of the Committee was present at the Annual General Meeting of the Company held on Saturday 30th September, 2023 to answer the queries of Shareholders.

During the Financial Year 2023-2024, Members of the Nomination and Remuneration Committee met Once (1) on 06th March, 2024.

The composition of the Nomination and Remuneration Committee as on 31st March, 2024 and the attendance of members in the meetings held during the financial year 2023-2024 are as under:

Name of the Director	Designation	Category	No. of meetings attended
Mr. Abhiram Tayal	Chairman	Independent Director	1
Mr. Ashwini Kumar Garg	Member	Independent Director	1
Mr. Sanjeev Gupta	Member	Independent Director	1

• Terms of Reference:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:
- the level and composition of remuneration be 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; and
 - 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;
- Formulating of criteria for evaluation of the performance of the independent directors and the Board;
 - Devising a policy on Board diversity;
 - Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the remuneration policy and the evaluation criteria in its annual report;
 - Reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
 - For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the committee may:
 - Use the services of an external agencies, if required;
 - Consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - Consider the time commitments of the candidates,

- evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component; Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; or
 - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended.
- Periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
- Ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act, 2013;
- Developing a succession plan for the Board and senior management and regularly reviewing the plan;
- Performing such other activities as may be delegated by the Board and/or specified/

- provided under the Companies Act, the Listing Regulations or by any other regulatory authority; and
- Recommend to the Board, all remuneration, in whatever form, payable to senior management."

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee is constituted by the Board of Directors at their meeting held on 21st September, 2023. The composition of the Stakeholders' Relationship Committee complies with provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Act as amended from time to time. The Stakeholders' Relationship Committee of the Company consists of three members; and the Chairman of the Committee is an Independent Director.

During the Financial Year 2023-2024, Members of the Stakeholders' Relationship Committee met Once (1) on 06th March, 2024.

The composition of the Stakeholders Relationship Committee as on 31st March, 2024 and the attendance of members in the meetings held during the financial year 2023-2024 is as under:

Name of the Director	Designation	Category	No. of meetings attended
Mr. Vikram Grover	Chairman	Independent Director	1
Ms. Vijay Laxmi Kaushik	Member	Whole-Time Director	1
Mr. Vibhor Kaushik	Member	Managing Director	1

• Terms of Reference:

- Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

4. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
5. To approve, register, refuse to register transfer or transmission of shares and other securities;
6. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
7. Allotment and listing of shares;
8. To authorize affixation of common seal of the Company;
9. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/ security(ies) certificate(s) of the Company;
10. To approve the transmission of shares or other securities arising as a result of death of the sole/ any joint shareholder;
11. To dematerialize or rematerialize the issued shares;
12. Ensure proper and timely attendance and redressal of investor queries and grievances;
13. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and
14. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The Company Secretary of the Company acts as Secretary to Stakeholders’ Relationship Committee.

The details of Shareholder’s Complaints received so far, resolved and pending

No. of complaints pending as on 1 st April, 2023	0
No. of complaints identified and reported during FY 2023-24	4392
No. of Complaints disposed of during the year ended 31 st March, 2024	4392
No. of pending complaints as on 31 st March, 2024	0

The abovementioned data has been collected and provided from the Website of SCORES <https://scores.gov.in/scores/Welcome.html> and Investor complaints logged with the Company and its RTA viz., KFin Technologies Limited.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Corporate Social Responsibility Committee was constituted by a meeting of our Board held

on 21st September, 2023. The composition of the Corporate Social Responsibility Committee is in conscience with Section 135 of the Act, as amended from time to time.

During the Financial Year 2023-2024, Members of the Corporate Social Responsibility Committee met twice, on 20th July 2023 and 06th March, 2024 at 11.00 am and 5.00 pm respectively.

The composition of the Corporate Social Responsibility Committee as on 31st March, 2024 and the attendance of members in the meetings held during the financial year 2023-2024 are as under:

Name of the Director	Designation	Category	No. of meetings attended
Ms. Pratima Sandhir	Chairman	Whole-Time Director	2
*Mr. Vikram Grover	Member	Independent Director	1
*Mr. Shiv Kumar Singhal	Member	Independent Director	1

The CSR Committee was reconstituted w.e.f 21st September 2023.

*Appointed w.e.f. 21st September 2023.

Terms of Reference:

1. To formulate and recommend to the Board of Directors, the CSR Policy, indicating the CSR activities to be undertaken as specified in Schedule VII of the Companies Act, 2013, as amended;
2. Formulate and recommend an annual action plan in pursuance of its Corporate Social Responsibility Policy which shall list the projects or programs undertaken, manner of execution of such projects, modalities of utilization of funds, monitoring and reporting mechanism for the projects;
3. Identify corporate social responsibility policy partners and corporate social responsibility policy programs;
4. Delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
5. Review and monitor the implementation of corporate social responsibility programs and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programs;
6. Assistance to the Board to ensure that the Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act, 2013 and/ or rules made thereunder;

7. Providing explanation to the Board if the Company fails to spend the prescribed amount within the financial year;
8. Providing updates to the Board at regular intervals of six months on the corporate social responsibility activities;
9. To recommend the amount of expenditure to be incurred on the CSR activities, at least two per cent. of the average net profits of the company made during the three immediately preceding financial years or where the company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy;
10. To monitor the CSR Policy and its implementation by the Company from time to time; and
11. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act, 2013, as amended and the rules framed thereunder.

7. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee is constituted by a meeting of our Board held on 21st September, 2023. The composition of the Risk Management Committee complies with provisions of Regulation 21 of the Listing Regulations. The Risk Management Committee of the Company consists of three Members.; and the Chairman of the Committee is a Managing Director of the Company.

During the Financial Year 2023-2024, Members of the Risk Management Committee met Once (1) on 06th March, 2024.

The composition of the Risk Management Committee as on 31st March, 2024 and the attendance of members in the meetings held during the financial year 2023-2024 is as under:

Name of the Director	Designation	Category	No. of meetings attended
Mr. Vibhor Kaushik	Chairman	Managing Director	1
Mr. Vijay Kaushik	Member	Executive Director	1
Mr. Shiv Kumar Singhal	Member	Independent Director	1

Terms of Reference:

1. To formulate a detailed risk management policy which shall include:

i. A framework for identification of internal and external risks specifically faced by the

- listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
- iii. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To implement and monitor policies and/or processes for ensuring cyber security;
7. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.”
8. To review and recommend potential risk involved in any new business plans and processes;
9. To review the Company’s risk-reward performance to align with the Company’s overall policy objectives;
10. Monitor and review regular updates on business continuity;
11. Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
12. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

8. IPO COMMITTEE:

Your Board has constituted a separate committee to monitor, review and recommend to the Board on the Initial Public Offering of the Company. The IPO Committee of the Company consists of three Members.

During the Financial Year 2023-2024, Members of the IPO Committee met Once (1) on 05th February, 2024.

The composition of the IPO Committee as on 31st March, 2024 is as under:

Name of the Director	Designation	Category	No. of meetings attended
Mr. Vibhor Kaushik	Chairman	Managing Director	1
Ms. Pratima Sandhir	Member	Whole-Time Director	1
Mr. Sanjeev Gupta	Member	Independent Director	1

The scope and functions of the IPO Committee are as follows:

- to decide, negotiate and finalise the pricing, the terms of the issue of the Equity Shares and all other related matters regarding the Pre-IPO Placement, if any, including the execution of the relevant documents with the investors, in consultation with the book running lead managers appointed in relation to the Issue ("BRLM");
- to decide in consultation with the BRLM the actual size of the Issue and taking on record the number of equity shares (the "Equity Shares"), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Issue and all the terms and conditions of the Issue, including without limitation timing, opening and closing dates of the Issue, price band, allocation/ allotment to eligible persons pursuant to the Issue, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;
- to appoint, instruct and enter into agreements with the BRLM, and in consultation with BRLM appoint and enter into agreements with intermediaries, co-managers, underwriters, syndicate members, brokers, escrow collection bankers, auditors, independent chartered accountants, refund bankers, registrar, grading agency, industry expert, legal counsels, depositories, printers, monitoring agency advertising agency(ies), and any other agencies or persons (including any successors or replacements thereof) whose appointment is required in relation to the Issue and to negotiate and finalize the terms of their appointment, including but not limited to execution of the mandate letters and offer agreement with the BRLM, and the underwriting agreement with the underwriter, and to terminate agreements or arrangements with such intermediaries;

- to make any alteration, addition or variation in relation to the Issue, in consultation with the BRLM or SEBI or such other authorities as may be required, and without prejudice to the generality of the aforesaid, deciding the exact Issue structure and the exact component of issue of Equity Shares;
- to finalise, settle, approve, adopt and arrange for submission of the draft red herring prospectus ("DRHP"), the red herring prospectus ("RHP"), the Prospectus, the preliminary and final international wrap and any amendments, supplements, notices, clarifications, reply to observations, addenda or corrigenda thereto, to appropriate government and regulatory authorities, respective stock exchanges where the Equity Shares are proposed to be listed ("Stock Exchanges"), the Registrar of Companies, NCT of Delhi & Haryana ("Registrar of Companies"), institutions or bodies;
- to invite the existing shareholders of the Company to participate in the Issue and offer for sale of the Equity Shares held by them at the same price as in the Issue;
- to take all actions as may be necessary and authorised in connection with the offer for sale and to approve and take on record the approval of the selling shareholder for offering their Equity Shares in the offer for sale and the transfer of Equity Shares in the offer for sale;
- to issue advertisements in such newspapers and other media as it may deem fit and proper, in consultation with the relevant intermediaries appointed for the Issue in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013, as amended and other applicable laws;
- to decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any, and on permitting existing shareholders to sell any Equity Shares held by them;
- to open separate escrow accounts as the escrow account to receive application monies from anchor investors/ underwriters in respect of the bid amounts and a bank account as the refund account for handling refunds in relation to the Issue and in respect of which a refund, if any will be made;
- to open account with the bankers to the Issue to receive application monies in relation to the Issue in terms of Section 40(3) of the Companies Act, 2013, as amended;

- to negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, syndicate agreement, share escrow agreement, escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Issue, monitoring agency and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Issue, legal advisors, auditors, Stock Exchanges, BRLM and other agencies/ intermediaries in connection with Issue with the power to authorize one or more officers of the Company to execute all or any of the aforesaid documents;
- to make any applications, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Stock Exchange, the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), Registrar of Companies, and such other statutory and governmental authorities in connection with the Issue, as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions as may be required, and wherever necessary, incorporate such modifications / amendments as may be required in the DRHP, RHP and the Prospectus;
- to make in-principle and final applications for listing and trading of the Equity Shares on one or more stock exchanges, to execute and to deliver or arrange the delivery of the equity listing agreement(s) or equivalent documentation to the Stock Exchanges and to take all such other actions as may be necessary in connection with obtaining such listing;
- to determine and finalize, in consultation with the BRLM, the price band for the Issue and minimum bid lot for the purpose of bidding, any revision to the price band and the final Issue price after bid closure, and to finalize the basis of allocation and to allot the Equity Shares to the successful allottees and credit Equity Shares to the demat accounts of the successful allottees in accordance with applicable laws and undertake other matters in connection with or incidental to the Issue, including determining the anchor investor portion, in accordance with the SEBI ICDR Regulations;
- to issue receipts/allotment advice/confirmation of allocation notes either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with

such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforementioned documents;

- to approve the code of conduct, suitable insider trading policy, whistle blower/vigil mechanism policy, risk management policy and other corporate governance requirements considered necessary by the Board or the IPO Committee or as required under applicable law;
- to seek, if required, the consent and waivers of the parties with whom the Company has entered into various commercial and other agreements such as Company's lenders, joint venture partners, all concerned governmental and regulatory authorities in India or outside India, and any other consents that may be required in connection with the Issue in accordance with the applicable laws;
- to determine the price at which the Equity Shares are offered, allocated, transferred and/or allotted to investors in the Issue in accordance with applicable regulations in consultation with the BRLM and/or any other advisors, and determine the discount, if any, proposed to be offered to eligible categories of investors;
- to settle all questions, difficulties or doubts that may arise in relation to the Issue, as it may in its absolute discretion deem fit;
- to do all acts and deeds, and execute all documents, agreements, forms, certificates, undertakings, letters and instruments as may be necessary for the purpose of or in connection with the Issue;
- to authorize and approve the incurring of expenditure and payment of fees, commissions, brokerage and remuneration in connection with the Issue;
- to withdraw the DRHP or RHP or to decide not to proceed with the Issue at any stage, in consultation with the BRLM and in accordance with the SEBI ICDR Regulations and applicable laws;
- to submit undertaking/certificates or provide clarifications to the SEBI, Registrar of Companies and the relevant stock exchange(s) where the Equity Shares are to be listed; and
- to authorize and empower officers of the Company (each, an "Authorized Officer(s)"), for and on behalf of the Company, to execute and deliver, on a several basis, any agreements

and arrangements as well as amendments or supplements thereto that the Authorized Officer(s) consider necessary, appropriate or advisable, in connection with the Issue, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the registrar agreement and memorandum of understanding, the depositories' agreements, the offer agreement with the BRLM (and other entities as appropriate), the underwriting agreement, the syndicate agreement with the BRLM and syndicate members, the stabilization agreement, the share escrow agreement, the cash escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Issue, bankers to the Company, manager, underwriters, escrow agents, accountants, auditors, legal

counsel, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, auditors, grading agency, monitoring agency and all such persons or agencies as may be involved in or concerned with the Issue, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Issue by the BRLM and to do or cause to be done any and all such acts or things that the Authorized Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Issue; and any such agreements or documents so executed and delivered and acts and things done by any such Authorized Officer(s) shall be conclusive evidence of the authority of the Authorized Officer and the Company in so doing.

9. SENIOR MANAGEMENT

Details of Senior Management as on 31st March, 2024:

S. No.	Name of Employee	Position	Function/ Department	Changes during the F.y. 2023-24
1	Mr. Anil Jain	Chief Financial Officer	Finance	Appointed w.e.f 27.06.2023
2	Mr. Lovkesh	Company Secretary	Secretarial	Appointed w.e.f 27.06.2023
3	Mr. Santosh Govind Rao	Plant Head	Production	
4	Mr. Vikash Kumar	Manager	Electrical	
5	Mr. Satish Chitalkar	Incharge	Quality Control	
6	Mr. Vinod Kumar Sharma	Incharge	GI Pipes	
7	Mr. Chandershaker Jain	General Manager	Administration	
8	Mr. Prosun Kumar Roy	President	Marketing	Appointed w.e.f 16-08-2023
9	Mr. Pushpesh Kumar Singh	Plant Head	Production & Tube Mill	
10	Mr. Akula Laxman Rao	Head (F/A)	Accounts	
11	Mr. Pawan Kumar	Head	G.I Plant	Appointed w.e.f 04.10.2023
12	Mr. Abhishekh Vishwakarma	Marketing Manager	W- Beam	Appointed w.e.f 01.12.2023
13	Mr. Bidhan Chandra Behra	Production Manager	W Mill	
14	Mr. Karan Singh Yadav	Head	Dispatch	
15	Mr. Arvind Pandey	In charge	Tube Mill	
16	Mr. Vivek Kumar Singh	In charge	Electrical	
17	Mr. Raj Kumar Singh	Head	Maintenance	
18	Mr. Raghvendra Pratap Singh	In charge	G.i Plant	
19	Mr. Subham Kumar	In charge	Security	
20	Mr. Pappu Kumar Singh	In charge	Store	
21	Mr. Nikunj Haresh Gatecha	Company Secretary	Secretarial	Resigned w.e.f 26.06.2023

10. DETAILS OF REMUNERATION TO ALL DIRECTORS:

The remuneration of the Managing Director and the Whole Time Director is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and is within the limits and in compliance with the applicable rules and regulations of the Act.

1. Details of managerial remuneration for the financial year 2023-2024 are given below:

Name	Designation	Amount Paid (in lacs)
Mr. Vijay Kaushik	Chairman Cum Executive Director	167.58
Mr. Vibhor Kaushik	Managing Director	200.53
Ms. Vijay Laxmi Kaushik	Whole-Time Director	137.48
Ms. Pratima Sandhir	Whole-Time Director	165.85
Mr. Pankaj Kumar Rai	Executive Director	5.76
Mr. Anil Jain	Chief Financial Officer	10.56
Mr. Lovkesh	Company Secretary & Compliance Officer	3.84
*Mr. Nikunj Haresh Gatecha	*Previous Company Secretary (resigned w.e.f 26.06.2023)	0.46

2. Details of remuneration of Non-Executive Directors:

- Sitting fees

In terms of provisions of Section 197(5) of the Act read with the Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company paid sitting fees to each Non-Executive Director for attending Board & Committee Meetings held during the Financial Year 2023-2024.

The details of Sitting Fees paid to Non-Executive Directors for the financial year 2023-2024 are as under:

(Amount paid in Lacs)		
Sr. No.	Name	Sitting fees
1	Mr. Ashwani Kumar Garg	1.00
2	Mr. Sanjeev Gupta	1.00
3	Mr. Shiv Kumar Singhal	0.90
4	Mr. Vikram Grover	0.90
5	Mr. Abhiram Tayal	0.75

The Company has not provided any stock option to the Directors of the Company

11. GENERAL BODY MEETINGS:

- a) Particulars of Annual General Meetings held during the last three years:

Financial Year	Date	Time	Venue	Special Resolutions passed, if any
2020-2021	30 th November, 2021	11.00 AM	2139/1553, Thandi Sarak, Hisar, Haryana, India, 125011	-
2021-2022	30 th September, 2022	11.00 AM	2139/1553, Thandi Sarak, Hisar, Haryana, India, 125011	-
2022-2023	30 th September, 2023	3.30 PM	Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana, India, 125005.	1. To approve Trans-actions under Section 185 of the Companies Act, 2013

- b) Extra Ordinary General Meetings: Three (03) extraordinary meetings of members were held during the year under review:

Sr. No.	Date	Time	No of Members attended	Resolutions passed
1	14 th June, 2023	10:00 AM	6	1. Increase the Borrowing Power of the Company 2. Approval of the Limits for the Loans and Investment by the Company in terms of the provisions of Section 186 of The Companies Act, 2013 3. Adoption of New Set of Articles of Association 4. Conversion of Company from Private to Public 5. Increase the Authorized Share Capital of the Company from Rs. 14,50,00,000 (Rupees Fourteen Crore Fifty Lakhs) divided into 1,45,00,000 (one Crore Forty-Five Lakhs) equity shares of Rs. 10 each to Rs. 20,00,00,000 (Rupees Twenty Crore) divided into 2,00,00,000 (Two Crore) equity shares of Rs.10 each

Sr. No.	Date	Time	No of Members attended	Resolutions passed
2	8 th September, AM 2023	11:00	6	1. Approval for Initial Public Offer 2. Appointed Mr. Vikram Grover (DIN: 09692781) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023. 3. Appointed Mr. Shiv Kumar Singhal (DIN: 00940261) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023. 4. Appointed Mr. Sanjeev Gupta (DIN: 00945812) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023. 5. Appointed Mr. Ashwani Kumar Garg (DIN: 00387749) as a Non-Executive Independent Director of the Company for a period of 5 (five) consecutive years w.e.f. 14th August 2023.
3	21 st September, AM 2023	11:00	6	1. Appointed Mr. Vibhor Kaushik (Din: 01834866) as Managing Director of the Company and approve their remuneration. 2. Appointed Mr. Vijay Kaushik (DIN: 02249672) as Chairman & Director of the Company and approve their remuneration. 3. Appointed Ms. Vijay Laxmi Kaushik (DIN: 02249677) as Executive Director (Whole time Director) of the Company and approve their remuneration. 4. Appointed Ms. Pratima Sandhir (DIN: 07756142) as Executive Director (whole time director) of the Company and approve their remuneration. 5. Appointed Mr. Abhiram Tayal (DIN:00081453) as Non-Executive Independent Director for a period of 5 (five) consecutive years w.e.f. 28th August 2023.

c. **Details of the special resolution passed through postal ballot, the persons who conducted the postal ballot exercise, details of the voting pattern and procedure of postal ballot:** No Special Resolution was passed last year through Postal ballots. Further, there is no item on the agenda that needs approval by postal ballot.

- Risk Management Framework:**
Your Company faces both internal and external risks. Also, we focus on risks in the short, medium as well as long term. Risk management is an integrated aspect of the Company's business operations. Every year, an extensive risk assessment is conducted in which business lines and corporate functions identify all significant risks. The risks are then consolidated and assessed on their potential impact and probability, which is then reported to the Board of Directors. Responsibilities are assigned for significant risks, and mitigating initiatives are established and tracked.

- Disclosures by Management to the Board:**
Disclosures relating to financial and commercial transactions where senior management may have personal interests that might have been in potential conflict with the interest of the Company are provided to the Board.

Based on the disclosures received from the Senior Management Personnel; none of the Senior Management Personnel has entered into any transactions during the year in which he/she has a material financial and commercial interest or in which he/she may have a potential conflict of interest with the interest of the Company at large.

12. MEANS OF COMMUNICATION:

The Company recognizes the importance of communication with Shareholders and prompt disclosure of information on material corporate developments and other events as required under the Listing Regulations. Full and timely disclosure of information regarding Company's financial position and performance is an important part of your Company's corporate governance framework.

Quarterly/ Half-yearly/ Annual Results:

The quarterly/half-yearly/annual results are published within the timeline stipulated under SEBI Listing Regulations. The results are also uploaded on NEAPS and BSE online portal of NSE and BSE respectively. The financial results are published within the time stipulated under the Listing Regulations in newspapers viz. Financial Express (in English) and Jansatta (in Hindi). The Financial Statements as stated above are also available on the website of the Company and can be accessed at the web link: <https://www.vstlindia.com/corporate-announcements/>

As a part of the Green initiative, the Annual Reports are sent by E-mail to Shareholders whose e-mail ids are registered with the Depositories/ RTA, except those who have prescribed service of documents in physical through a particular means pursuant to Section 20 of the Companies Act, 2013.

Analyst/Investor Meets:
During the financial year ended 31st March 2024 there was no Analyst / Investor Meets.

Press releases, presentations, etc.:
Official press and media releases are sent to Stock Exchanges and are displayed on Company's website: www.vstlindia.com

Management Discussion & Analysis Report:
The Management Discussion & Analysis Report forms a part of the Board's Report. All the matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

Company's Corporate Website:
The Company's website contains a separate section called "Investors" wherein all the information about the company is called for in terms of Regulation 46 of Listing Regulation and the same is being updated from time to time.

SCORES (SEBI Complaint Redress System):
The investor complaints are processed in a centralised web-based complaints redress system. It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal. All the activities, from lodging of a complaint to disposal, are carried out online automatically and the status of every complaint can be checked online at any time.

13. GENERAL SHAREHOLDER INFORMATION:

1. Annual General Meeting:	
Particulars	Details
Date and Time	Thursday 23 rd September 2024 at Time of Meeting is 02:00 P.M.
Venue	Banquet Hall, Suncity Mall, Delhi Rd, Industrial Area, Hisar, Haryana-125001

- 2. Financial Year:** April to March
- 3. Dividend payment date:**
The Board of Directors have not recommended any dividend for the financial year ended 31st March 2024

- 4. Book Closure Dates (for Annual General Meeting):**
Book Closure will be 7 days before the date of AGM inclusive of AGM. Dates will be mentioned in Notice of AGM.

- 5. Listing Details:**
No. of securities listed: 1 to 1,89,62,443

6. ISIN/Scrip Code/ Symbol:		
Name, Address and Telephone Nos. of Stock Exchange	ISIN	Stock Code
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 Tel.: (022) 22721233 / 34	INE0QTF01015	544124
National Stock Exchange of India Limited Exchange Plaza” 5 th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 Tel. No: 022 2659 8100/ 2659 8114 / 66418100	INE0QTF01015	VSTL

Listing Fees for 2024-2025: Paid within the due date

- 7. Market Price Data:**
High/Low of market price of the Company's shares traded on BSE and NSE during the year 2023-2024 is furnished below:

Month	BSE		NSE	
	High Price H	Low Price H	High Price H	Low Price H
February, 2024	442.00	321.05	446.25	319.75
March, 2024	343.00	230.00	343.00	228.20

- 8. Share Performance v/s BSE Sensex and NSE Nifty (March 2024):**

Month	Closing Price of Equity Share at BSE H	BSE Sensex	Closing Price of Equity Share at NSE H	Nifty 50
February, 2024	321.05	72500.30	21982.80	
March, 2024	250.45	73651.35	22326.90	

Note for 7 and 8: Company has been listed on BSE Limited and National Stock Exchange of India Limited w.e.f 20th February, 2024

- 9. During the F.Y. 2023-2024 the securities are not suspended from trading.**
- 10. Registrar and Share Transfer Agent:**
The Company has appointed M/s. KFin Technologies Limited as Registrar and Transfer Agents having their office at:

KFin Technologies Limited

Selenium, Tower B, Plot No. 31&32, Financial District, Nanakramguda, Serilinigampally, Hyderabad, Rangareddi - 500 032, Telangana, India

Telephone No.: +91 40 6716 2222

E-mail ID: vibhor.ipo@kfintech.com

Place for acceptance of documents:

Any Documents will be accepted at the Registrars and Share Transfer Agent's office, address of which is provided above.

The Secretary has designated the following Email ID for investors' correspondence and redressal of their grievances and complaints.

Email: Investors@vstlindia.com

Telephone No.: +91 7030322880

Shareholders holding shares in electronic mode should address all their correspondence relating to change of address, change in bank mandate for NECS, etc. to their respective Depository Participant.

11. Share Transfer System:

The Company obtains an annual certificate from Practicing Company Secretaries as per the requirement of Regulation 40(9) of Listing Regulations and the same is filed with the Stock Exchanges and available on the website of the Company. In terms of amended Regulation 40 of the SEBI Listing Regulations w.e.f. 1st April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24 January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/sub-division/ splitting/ consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25 January 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service requests.

12. Distribution of shareholding as on March 31, 2024:

Number of Equity Shares	No. of share-holders	% to total No. of Share-holders	No. of Shares	% to total
1 to 5,000	35005	97.36	1940643	10.23
5,001 to 10,000	526	1.46	398992	2.10
10,001 to 20,000	252	0.70	368835	1.95
20,001 to 30,000	59	0.16	150436	0.79
30,001 to 40,000	25	0.07	92386	0.49
40,001 to 50,000	21	0.06	100772	0.53
50,001 to 1,00,000	28	0.08	210520	1.11
1,00,001 and above	37	0.10	15699859	82.79
TOTAL	35953	100.00	18962443	100.00

13. Shareholding Pattern as on March 31, 2024:

Category	No. of shares	% of share-holding
PROMOTERS	13246500	69.86
RESIDENT INDIVIDUALS	3402024	17.94
BODIES CORPORATES	911580	4.81
PROMOTER GROUP	686500	3.62
FOREIGN PORTFOLIO - CORP	347938	1.83
ALTERNATIVE INVESTMENT FUND	170906	0.90
H U F	143748	0.76
NON RESIDENT INDIAN NON REPATRIABLE	28860	0.15
NON RESIDENT INDIANS	24312	0.13
TRUSTS	75	0.00
TOTAL	18962443	100

14. The status of dematerialization of shares and liquidity as on March 31, 2024 is as under:

As on March 31, 2024, 100% of the total issued and paid-up share capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Type of Holding	Percentage to share capital as on 31.03.2024	
	Number of Shares	Percentage
Physical	0.000	0
Dematerialized		
NSDL	1,06,29,017	56.05
CDSL	83,33,426	43.95
TOTAL	1,89,62,443	100.00

Your Company's shares are regularly traded on BSE Ltd. and National Stock Exchange of India Limited as is indicated in the table containing market information. Demat ISIN Number for NSDL and CDSL: INE0QTF01015

15. Outstanding ADRs/ GDRs/ Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDR's/ADR's/ Warrants or any convertible instruments in past and so, as on March 31, 2024, there are no such outstanding GDR's/ADR's/Warrants or any other convertible instruments.

16. Disclosure of commodity price risks and commodity hedging activities:

The Company is not dealing in commodities and hence disclosure relating to commodity price risk and commodity hedging activities is not required.

17. Plant Locations:

1. Raigad (Maharashtra)

Gut No 69/2, Pipe Nagar, NH 17 BKG Road, Village Sukeli, Raigad, Maharashtra-402126.

2. Mahabubnagar (Telangana)

SY No. 515 & 516, Udithyala (V), Balanagar (M), Mahabubnagar (Dist.), Telangana-509202.

18. Address for correspondence:

Vibhor Steel Tubes Limited

Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Haryana-125005, India.

Tel: +91-8420642517 +91-7054031333

Email: contact@vstlindia.Com

Web: https://vstlindia.com/

19. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Since the Company does not have any debt instruments, fixed deposit program, or any scheme or proposal involving mobilization of funds whether in India or abroad, obtaining a rating for the same is not applicable.

20. The Managing Director 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 read with Part B of Schedule II of Listing Regulation. Accordingly, a certificate by Mr. Vibhor Kaushik, Managing Director and Mr. Anil Jain, Chief Financial Officer, in terms of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was placed before the Board at their meeting held on 28th May 2024.

21. Other shareholders related information:

• Procedure for dematerialization of shares:

Shareholders seeking Demat of their shares need to approach their Depository Participants (DP) with whom they maintain a Demat account. The DP will generate an electronic request and will send the physical share certificate to Registrar and Share Transfer Agent ("the Registrar") of the Company. Upon receipt of the request and share certificate, the Registrar will verify the same. Upon verification, the Registrar will request National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) to confirm the Demat request. The Demat account of the respective shareholder will be credited with an equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

• Transfer of Unclaimed / Unpaid amounts and shares to the Investor Education and Protection Fund (IEPF):

Pursuant to Section 124 and 125 and all other applicable provisions, if any, of the Act, the amount of the dividend remaining unpaid or unclaimed for seven years from the date of transfer to the unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund (the "Fund") set up by the Government of India.

- Members are requested to note that there is no Dividend which remained unpaid or unclaimed for seven years which is required to be transferred by the Company to the Fund in the Financial year 2023-2024.
- In accordance with Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, amongst other matters, all shares in respect of which dividend has remained unclaimed or unpaid for seven consecutive years or more are required to be transferred to the Demat Account of the IEPF Authority.

- Members are requested to note that no claim shall lie against the Company in respect of any amount of dividend remaining unclaimed/unpaid for seven years from the dates they became first due for payment. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Demat Account as per the applicable provisions of Act and rules made thereunder. The Member/ Claimant is required to make an online application to the IEPF Authority in Form IEPF-5 (available on www.iepf.gov.in) along with requisite fees as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

During the financial Year 2023-2024, no shares and dividend were transferred to IEPF.

14. OTHER DISCLOSURES:

a. Related Party Transactions:

During the financial year 2023-2024, your Company had transactions with related parties as defined under the provisions of the Act and Regulation 23 of the Listing Regulations. The basis of related party transactions is placed before the Audit Committee. All these transactions with related parties were in the 'ordinary course of business' and on an 'arm's length basis'. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the repetitive transactions.

There were no material related party transactions during the year under review. Necessary disclosure as required has been made in Note No. 40 of the Financial Statements.

The Company's Policy on Related Party Transactions has been uploaded on the Company's website at https://www.vstlindia.com/upload_dynamic_content/Policy%20on%20Related%20Party%20Transactions.pdf.

b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years:

The Company has complied with all applicable provisions of the SEBI Listing Regulations and all other applicable regulations and guidelines issued by SEBI and Stock Exchanges. No penalties or strictures are imposed on your Company by SEBI or the Stock Exchanges or any statutory authority on any matter related to the capital markets.

c. Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee:

The Board of Directors of the Company has, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairperson of the Audit Committee.

d. Details of compliance with the mandatory requirements and adoption of the non-mandatory requirements:

Your Company has complied with all mandatory requirements laid down under the Listing Regulations.

Your Company has complied with the non-mandatory requirements of the Listing Regulations to the extent possible.

e. Weblink where policy for determining 'material' subsidiaries is disclosed:

The Company does not have any subsidiary and hence, no disclosure is required. The policy is uploaded on <https://www.vstlindia.com/policies/>.

Particulars	Website Details/links
Code of Conduct Insider Trading	https://www.vstlindia.com/code-of-conduct/ .
Policy for determination of legitimate purpose for sharing Unpublished Price Sensitive Information	https://www.vstlindia.com/policies/ .
Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information	https://www.vstlindia.com/policies/ .
Policy on Materiality of Related Party Transactions	https://www.vstlindia.com/policies/ .
Policy for Determining Material Subsidiaries	https://www.vstlindia.com/policies/ .
Policy for Determination of Material Events	https://www.vstlindia.com/policies/ .

Particulars	Website Details/links
Policy on Dividend Distribution	https://www.vstlindia.com/policies/ .
Policy on Vigil Mechanism	https://www.vstlindia.com/policies/ .
Policy on Archival	https://www.vstlindia.com/policies/ .
Policy Preservation of Documents	https://www.vstlindia.com/policies/ .
CSR Policy	https://www.vstlindia.com/policies/ .
Policy on Nomination and Remuneration	https://www.vstlindia.com/policies/ .
Policy for Board Diversity	https://www.vstlindia.com/policies/ .
Policy for orderly succession of Board and Senior Management	https://www.vstlindia.com/policies/ .
Code of Conduct for Board and Senior Management	https://www.vstlindia.com/code-of-conduct/ .
POSH Policy	https://www.vstlindia.com/policies/ .
Risk Management Policy	https://www.vstlindia.com/policies/ .

g. Disclosure of commodity price risk and commodity hedging activities:

The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities is not applicable.

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

During the period under review, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

i. A certificate from KRS & CO., Company Secretaries (attached and which forms an integral part of this report) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

j. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

There were no such instances during FY 2023-2024 when the Board had not accepted any recommendation of any committee of the Board.

k. Total fees for all services paid/payable by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditors is a part are given below:

(Rs. In Lakhs)		
Sr. No.	Particulars	FY 2023-2024
1	Statutory Audit and Limited review	4.00
2	Tax Audit Fees	1.00
TOTAL		5.00

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2023-2024	Number of complaints disposed of during the financial year - 2023-2024	Number of complaints pending as on end of the financial year 2023-2024
NIL	NIL	NIL

m. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Clause Not Applicable, since Company has not provided any loan or advances in the nature of loan to firms/companies in which directors are interested.

n. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Clause Not Applicable since the Company does not have any subsidiaries.

o. Certificates from Practicing Company Secretaries

As required by Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s. KRS & Co., Practicing Company Secretaries regarding compliance of conditions of corporate governance, is attached and forms an integral part of the report.

p. Code of Conduct:

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management personnel of the Company. The Code has also been posted on the website of the Company <https://www.vstlindia.com/code-of-conduct/>. All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct for the Financial Year 2023-2024.

An annual declaration signed by the Managing

Director of the Company affirming compliance to the Code by the Board of Directors and the Senior Management is annexed to this Report. The Code of Conduct is available on website of the Company.

q. Policy on Determination of Materiality for Disclosure of Events or Information:

The Company in compliance with the Listing Regulations has adopted a 'Policy on Determination of Materiality for Disclosure of Events or Information'. The same has been posted on the website of the Company: <https://www.vstlindia.com/policies/>. as required under the Listing Regulations. The Policy encourages information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions (hereinafter referred to as "material information") that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality.

r. Policy on Preservation of Documents:

The Company, in compliance with the Listing Regulations has adopted a 'Policy on Preservation of Documents. The policy has been posted on the website of the Company: <https://www.vstlindia.com/policies/>. as required under the Listing Regulations. The Policy facilitates stakeholders to retrieve past information which is statutory for a period as disclosed in the Policy.

s. Compliance with Accounting Standard:

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules thereunder.

The Significant Accounting Policies which are consistently applied have been set out in the notes to the financial statements.

t. CEO/CFO Certificate:

In compliance with Regulation 17(8) of the Listing Regulations, a certificate from Managing Director and Chief Financial Officer of the Company to the Board of Director as specified in Part B of Schedule II of the said regulations is annexed to this Report.

15. NON-COMPLIANCE WITH ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB- PARAS (2) TO (10) OF SCHEDULE V (C) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

NIL.

16. EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS SPECIFIED IN PART E OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 HAVE BEEN ADOPTED:

Details are provided in clause "14 (d)" of this report.

17. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 SHALL BE MADE IN THE SECTION ON CORPORATE GOVERNANCE OF THE ANNUAL REPORT:

Required disclosures are provided in clause "14 (d)" of this report.

CFO CERTIFICATION

To The Board of Directors

Vibhor Steel Tubes Limited

1. I have reviewed the Audited Financial Statements and the cash flow statement of Vibhor Steel Tubes Limited ("Company") for the financial year ended on March 31, 2024 and to the best of my knowledge and belief:
 - I. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - II. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2024 which are fraudulent, illegal or violative of the Code of Conduct of the Company.
3. I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps I have taken or proposed to be taken to rectify the deficiencies.
4. I have indicated to the Auditors and the Audit Committee:
 - I. Significant changes in the Company's internal control over financial reporting, during the financial year ended on March 31, 2024;
 - II. Significant changes in accounting policies, if any, during the financial year ended on March 31, 2024 have been disclosed in the notes to the Financial Statements; and
 - III. Instances of significant fraud of which I have become aware and involvement therein, if any, of the management or other employees having a significant role in the Company's internal control system over financial reporting.

For Vibhor Steel Tubes Limited

Mr. Anil Jain
Chief Financial Officer

Date: 13th August 2024
Place: Hisar

DECLARATION SIGNED BY THE MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:

As required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Code of Conduct for Directors and Senior Management Personnel of the Company. The Code has been circulated to all the members of the Board and Senior Management. The Company has received affirmation of compliance from Directors and Senior Management Personnel of the Company for the financial year ended March 31, 2024.

The said Code is posted on the Company’s website at https://www.vstlindia.com/upload_dynamic_content/Code%20of%20Conduct%20for%20BOD%20and%20SMP~1.pdf

Declaration on Compliance with the Company’s Code of Conduct

The Members of **Vibhor Steel Tubes Limited**

I, Vibhor Kaushik, Managing Director of Vibhor Steel Tubes Limited, hereby declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them for the year ended March 31, 2024.

For Vibhor Steel Tubes Limited

Mr. Vibhor Kaushik
Managing Director
DIN: 01834866

Date: 13th August 2024
Place: Hisar

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of VIBHOR STEEL TUBES LIMITED having CIN U27109HR2003PLC035091 and having registered office At Plot No. 2, Industrial Development Colony, Delhi Road, Hisar, Hisar, Hisar, Haryana, India, 125005,(hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

SR. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT
1.	VIBHOR KAUSHIK	01834866	17/04/2003
2.	VIJAY KAUSHIK	02249672	26/02/2009
3.	VIJAY LAXMI KAUSHIK	02249677	28/08/2005
4.	PRATIMA SANDHIR	07756142	11/04/2016
5.	PANKAJ KUMAR RAI	08697130	13/02/2020
6.	ASHWANI KUMAR GARG	00387749	14/08/2023
7.	SHIV KUMAR SINGHAL	00940261	14/08/2023
8.	SANJEEV GUPTA	00945812	14/08/2023
9.	VIKRAM GROVER	09692781	14/08/2023
10.	ABHIRAM TAYAL	00081453	28/08/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR KRS AND CO.
Company Secretary

Ketan Ravindra Shirwadkar
Proprietor
ACS No.: 37829
COP No.: 15386

Date: 13th August 2024
Place: Thane
ICSI UDIN: A037829F000962357
PEER REVIEW NO: 3967/2023

COMPANY SECRETARY IN PRACTICE’S REPORT ON CORPORATE GOVERNANCE

To
The Members

Vibhor Steel Tubes Limited.

The Corporate Governance Report prepared by **Vibhor Steel Tubes Limited** (“the Company”), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) and (t) of regulation 46(2) and para C D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) with respect to Corporate Governance for the year ended March 31, 2024 pursuant to the Listing Agreement of the Company with the BSE Limited and National Stock Exchange of India Limited (referred to as the “Stock Exchanges”)

Management’s Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor’s Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2024 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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.

Opinion

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations during the year ended March 31, 2024.

Other Matters and Restriction on use

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.

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2024, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

FOR KRS AND CO.
Company Secretary

Ketan Ravindra Shirwadkar
Proprietor
ACS No.: 37829
COP No.: 15386

Date: 13th August 2024
Place: Thane
ICSI UDIN: A037829F000962357
PEER REVIEW NO: 3967/2023

Management Discussion and Analysis

1. ECONOMIC REVIEW

1.1 Global Economic Review

The global economy surpassed expectations in 2023 after a turbulent year. It continues to navigate a dynamic landscape marked by a blend of opportunities and challenges. As per the International Monetary Fund (IMF), global economic growth declined to 3.1% in 2023 from 3.5% in 2022. Despite several major economies demonstrating remarkable resilience, underlying risks and vulnerabilities persist due to simmering geopolitical tensions, the growing intensity and frequency of extreme weather events, volatility in energy and food markets, and higher-for-longer interest rates. Amidst these challenges, there is a silver lining as global inflation continues to recede faster than expected, declining from 8.7% in 2022 to 6.8% in 2023. Core inflation is also on a downward trend. Several emerging markets and developing economies (EMDEs) have outperformed initial projections in 2023. The US economy has experienced the strongest recovery among major economies and its GDP increased from 1.9% in 2022 to 2.5% in 2023. The European Union (EU) has demonstrated resilience in navigating through unprecedented shocks from the prolonged Russia- Ukraine war and higher interest rates. Although its GDP growth substantially contracted from 3.6% in 2022 to 0.6% in 2023, the EU managed to avoid the recession in 2023. The IMF estimated a growth rate of 4.7% for Asia in 2023, with China and India playing a major role. In China, higher spending on disaster recovery and resilience initiatives supported growth, while in India, robust domestic demand led to an upward revision in the growth estimate.

Outlook

The global economy is expected to sustain its resilience in 2024. The IMF forecasts a global growth of 3.1% in 2024, with a slight uptick to 3.2% in 2025. Asia is expected to again contribute significantly to global growth in 2024, echoing its impact in 2023.

Region-wise economic growth (%)

Region	2023	2024 (P)	2025 (E)
Global Economy	3.1	3.1	3.2
Advanced Economies (AEs)	1.6	1.5	1.8
Emerging Markets and Developing Economies (EMDEs)	4.1	4.1	4.2

(P- Projections, E- Estimates) (Source: International Monetary Fund)

1.2 Indian Economic Review

The Indian economy is estimated to grow by 6.7% in FY24 driven by sustained domestic demand with private investment and government consumption. Manufacturing (led by steel, cement, and automobile) and construction have delivered robust growth with increased infrastructure spending, regional supply chain diversification and government incentives to boost activity with Production Linked Incentive schemes, national infrastructure program amongst others. However, the rural/ farm sector has been impacted by unfavourable monsoons and inflation, dampening demand. Consumer inflation, as of December 2023, stood at 5.7%, and has moderated compared to peak of 7.4% in July 2023; however, continues to be higher than Reserve Bank of India's (RBI) target of 4% led by higher food prices with adverse crop and supply side bottlenecks.

Outlook

Economists estimate that the Indian economy will deliver 6-7% growth in next two to three years and move from fifth to third position, in terms of global ranking on nominal GDP. The growth is projected to be led by increase in consumption and investment, decline in inflation levels, improving rural demand (in part helped by subsidies announced in early part of the year) and private capex recovery with reduced policy uncertainty post general elections. JP Morgan and Bloomberg have announced the inclusion of Indian Government securities (GSecs) into the JPM Government Bond Index – Emerging Markets (GBI-EM) and Bloomberg Emerging Market (EM) Local Currency Government Index and related indices respectively – which would help in boosting foreign investment in Indian fixed market bonds, bring down cost of borrowing for the government and support the Indian Rupee.

Risks to the outlook remain with weakness in the global economy impacting exports, volatility in food and crude oil prices and policy uncertainty post national general elections.

Source: Global Economic Prospects, IMF Jan' 2024

2. INDUSTRY REVIEW

2.1 Global Steel Industry

The global steel industry is on a path to gradual recovery, with demand forecasted to rise by 1.7% to 1,793 million tonnes (Mt) in 2024 and 1.2% to 1,815 Mt in 2025, according to the World Steel Association's Short Range Outlook

(SRO) for April 2024. After two challenging years marked by economic volatility and geopolitical disruptions, the recovery will vary by region: China's steel demand is expected to stabilize in 2024 but decline slightly in 2025 as its economy transitions away from investment-driven growth. Advanced economies are set to see a moderate rebound, while emerging markets, particularly India, will drive robust growth, with demand in India rising by 8% over the next two years. Despite ongoing high inflation and geopolitical uncertainties, the industry is shifting focus toward sustainable development and infrastructure investments to support long-term growth.

Source: <https://worldsteel.org/wp-content/uploads/worldsteel-Short-Range-Outlook-April-2024.pdf>

In 2023, global steel production increased by 3.6% to 1,900 million tonnes, according to the World Steel Association. This growth was observed despite challenges across various regions. Notably, China, the largest producer, saw a modest increase in output by 2.7%, while Japan's production rose by 4.5%. In the European Union, steel production grew by 2.9%, reflecting a rebound from previous declines. Conversely, the United States experienced a slight decrease of 1.8% in production. Meanwhile, India's steel production surged by 6.5%, continuing its positive trend. Overall, the steel industry's investment in green technologies and innovation plays a crucial role in adapting to these varied regional developments and driving sustainable growth.

Source: <https://worldsteel.org/data/world-steel-in-figures-2024/>

Outlook

In 2024, global steel demand is projected to grow by 1.8% to reach 1,910 million tonnes, according to the World Steel Short Range Outlook April 2024. This growth is anticipated despite potential economic challenges such as fluctuating raw material prices and geopolitical tensions. The recovery in steel demand is expected to be driven primarily by emerging economies, particularly in Asia and India, due to ongoing infrastructure projects and urbanization. In contrast, demand growth in developed regions is likely to be slower, reflecting mature market conditions. While the steel industry continues to focus on sustainability and technological advancements, the overall growth may be tempered by persistent economic uncertainties and high interest rates.

2.2 Indian Steel Industry

India, the world's second-largest producer of crude steel, demonstrated significant growth in the steel industry during FY 2023-24. Domestic crude steel production surged by 13.2% year-on-year to 144.04 million tonnes, while finished steel consumption rose by 13.6% to 136.25 million tonnes. This robust growth was driven by strong domestic demand, supported by substantial government spending on infrastructure and housing, a rising share of manufacturing in GDP, and strong demand from the automotive sector. Despite these gains, domestic steelmakers faced margin pressures due to volatile commodity and energy costs and increased competition from low-cost imports.

India's steel trade dynamics have shifted, with the country becoming a net importer of steel during FY 2023-24. Steel imports surged by 37% year-on-year to 9.65 million tonnes, primarily driven by cheaper imports from China and other Asian countries. In contrast, steel exports saw a modest increase of 2.5% to 8.54 million tonnes, with Europe emerging as the largest destination. The European Union's introduction of a carbon border tax under the Carbon Border Adjustment Mechanism (CBAM) poses potential challenges for Indian steel exports, but India is committed to transitioning to green steel and investing in sustainability initiatives. Despite these trade challenges, India's steel industry remains optimistic, supported by strong economic growth projections and significant investment in infrastructure and manufacturing sectors.

Outlook

India remains a bright spot in the global steel industry and the steel demand in the country is expected to show a healthy growth, driven by strong economic growth of 7.2% projected for FY 2024-25, a record H11.11 lakh capital expenditure for FY 2024-25, buoyant demand from major steel consuming sectors like infrastructure and construction, automotive, capital goods as well as consumer durables. Further, the positive investment climate, on the back of strong corporate profitability as well as robust bank balance sheets, bodes well for private investment cycle to kick off. In addition, the Government's plan to build additional two crore house under the PM Awas Yojana bodes well for the public housing sector outlook. Further, low inflation expectations for FY 2024-25 at 4.5% versus the FY 2023-24 average of 5.4%, could prompt the country's central bank to pivot to policy easing, which could further boost

demand. With the central government staying on course to its fiscal consolidation path, with fiscal deficit estimated at 5.1% for FY 2024-25 versus 5.6% in FY 2023-24, it provides further headroom for the Government to spend on physical and social infrastructure. According to the NITI Aayog, India has the potential to become the world's production centre for green steel and pave the way for its worldwide adoption. The Indian steel industry is leveraging the power of Machine Learning (ML), artificial intelligence (AI), and smart manufacturing to improve efficiency and strengthen sustainability

Government Initiatives

In FY 2023-24, the Indian government launched several initiatives to bolster the steel industry and support economic growth:

- 1. Infrastructure Investment:** The government allocated a substantial capital expenditure of ₹11.11 lakh crore for FY 2024-25, focusing on large-scale infrastructure projects. This includes significant investments in roads, highways, ports, and metro networks, which are expected to drive steel demand.
- 2. PM Awas Yojana:** The government's plan to construct an additional two crore houses under the Pradhan Mantri Awas Yojana (PMAY) aims to boost the housing sector. This initiative is expected to increase demand for steel in residential construction.
- 3. National Infrastructure Pipeline (NIP):** The NIP continues to prioritize major infrastructure projects, including transportation and urban development. This pipeline supports long-term steel demand through ongoing and planned construction activities.
- 4. National Green Hydrogen Mission (NGHM):** The NGHM includes a significant allocation of ~30% of its pilot project budget to the steel sector. This investment is aimed at promoting green steel production through the adoption of green hydrogen and other sustainable technologies.
- 5. Gati Shakti Initiative:** Under the PM Gati Shakti initiative, the government is focusing on reducing logistics costs from 14% of GDP to 8-9% in the coming years. Improved logistics are expected to enhance efficiency and lower costs in the steel sector.
- 6. Make in India and MSME Support:** The 'Make in India' initiative aims to increase the share of manufacturing in GDP and

strengthen self-reliance. The push to support micro, small, and medium enterprises (MSMEs) is also expected to boost manufacturing activities and steel demand.

These initiatives reflect the government's commitment to infrastructure development, sustainability, and economic growth, which are critical drivers for the steel industry.

2.3 Global Steel Tubes & Pipes Industry

The global steel tubes and pipes industry is experiencing dynamic growth driven by increasing demand across various sectors. According to Grand View Research, the market for steel pipes and tubes is anticipated to reach approximately USD 683.9 billion by 2028, expanding at a compound annual growth rate (CAGR) of 5.8% from 2024 to 2028. This growth is primarily fueled by the rising demand for infrastructure development, particularly in emerging economies where urbanization and industrialization are accelerating. Additionally, the energy sector, including oil and gas, remains a significant contributor to market expansion due to the continuous need for steel pipes in transportation and distribution networks.

Technological advancements and innovations in steel pipe manufacturing are further enhancing market prospects. The industry is witnessing a shift towards the adoption of high-strength, corrosion-resistant, and eco-friendly steel grades to meet the stringent requirements of modern infrastructure projects and industrial applications. Moreover, increased investments in infrastructure projects, including water supply, sewage systems, and transportation networks, are expected to drive steady demand for steel tubes and pipes. As companies strive to meet the growing needs of both developed and developing regions, the focus on sustainability and efficiency will continue to shape the industry's growth trajectory, positioning it as a key player in global infrastructure and industrial development.

Source: <https://www.grandviewresearch.com/industry-analysis/steel-pipes-tubes-market>

2.4 Indian Steel Tubes & Pipes Industry

During a period when leading economies have either fallen into a downturn or slowed down, India has stood out as the most promising area. In its latest update, the International Monetary Fund has raised India's growth prediction to 6.8 percent from 6.5 percent. It has also increased the country's outlook for fiscal year 2024 to 7.8

percent, surpassing the government's estimate of 7.6 percent. In a similar vein, after 14 years, S&P Global Ratings has upgraded India's outlook for its sovereign rating to positive from stable, citing robust growth, enhanced public spending quality over the past five years, and a strong expectation for continued reforms and fiscal policies. The announcement that The Reserve Bank of India's net income for fiscal year 2024 rose to INR 2.11 lakh crore, up from INR 87,420 crore in the previous year, underscores both the current situation and the future prospects of the economy.

The condition of the Indian economy is almost identical to that of the Indian tube and pipe sector. There's a growing appetite for oil and gas, a higher requirement for steel pipes globally, an active transport industry, an escalating need for effective water distribution and irrigation systems, continuous and significant expansion of cities, and government's efforts aimed at cleanliness and handling sewage and wastewater are propelling the Indian tube and pipe industry.

The Gross Domestic Product (GDP) of the India steel pipes and steel tubes market was calculated at USD 32.88 billion in 2023, and it is anticipated to expand at a Compound Annual Growth Rate (CAGR) of 6.43 percent. This growth is expected to culminate in a total value of USD 37.69 billion by the year 2030. In terms of volume, the market is expected to increase from 6.98 million tons in 2023 to 7.66 million tons by 2030. Meanwhile, the plastic division is anticipated to surpass USD 5 billion in size by 2023, with an average annual growth rate of 14.18 percent over the period from 2025 to 2030.

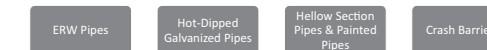
Source: <https://tubepipeindia.com/fy2024-the-year-of-resilience/>

3. COMPANY OVERVIEW

Our Company was originally incorporated as 'Vibhor Steel Tubes Private Limited' a limited company under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 16, 2003 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Thereafter, our Company was converted from private to public company, pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name was issued by the Registrar of Companies, Delhi ("RoC") on July 07, 2023. For further details on the change in the name and the registered office of

our Company, see "History and Certain Corporate Matters" beginning on page 208.

Vibhor Steel Tubes Limited is manufacturers and exporters of following products:



Vibhor Steel Tubes Limited is manufacturers and exporters of Mild Steel/Carbon Steel ERW Black and Galvanized Pipes, Hollow Steel Pipe, Cold rolled Steel (CR) Strips/ Coils. We are 2 decades old manufacturer, exporter and supplier of steel pipes and tubes to various heavy engineering industries in India. Steel pipes and tubes can be used for many purposes such as steel pipes for frames and shafts, steel pipes for bicycle frames, steel pipes for furniture, CDW pipes for shockers, steel pipes for various structural purposes, steel pipes for various engineering purposes etc. We have a very wide range of steel pipes and tubes products. The lengths of the steel pipes & tubes in different ranges unless otherwise specified by the customers. We manufacture steel pipes and tubes in various shapes and size such square, round, rectangular and elliptical or any special shape.

4. BUSINESS STRENGTHS

1. Association with Jindal Pipes Limited

Promoters of the Company and Jindal Pipes Limited ("JPL") share common friendship from Hisar origin. The Company benefits from a long-standing relationship with JPL. It started with Job work activity which has now translated into full time production of pipes (0.5 inch to 12 inch) for JPL under brand "Jindal Star". As per the business agreement dated renewed April 01, 2023, the Company sells all its finished product under brand name "Jindal Star" to JPL and its approved customers based on monthly card rates. As entire procurement and selling is facilitated by JPL, pricing becomes very transparent and passing of variation in raw material prices to the customers is effective.

2. Strategic location of manufacturing Units

Unit I is located at located Raigad, Maharashtra, which is the best place for export of goods, we export 100% of export sales from Unit I only. Unit II is located around seventy (70) kms from Hyderabad in the Mahabubnagar District, State of Telangana and close to Jadcherla industrial area. This proximity enables ease of logistics, power, water supply and raw materials for our operations in Unit I. Skilled personnel for Unit I also come from Hyderabad.

3. Experienced Promoters and senior management team

Our two Promoters, Mr. Vijay Kaushik and Mr. Vibhor Kaushik are qualified professionals with an individual experience of more than 4 & 2 decades respectively in the Steel Pipes & Tubes industry and have been instrumental in driving our growth since inception of our business. We believe that our management team's experience and their understanding of the industry will enable us to continue to take advantage of both current and future opportunities. A large number of our senior management personnel have worked with us for a significant period of time, resulting in effective operational coordination and continuity of business strategies. They have led the organization through acquisitions, development of new systems and components etc.

4. International Accreditations.

As we sell our product under the brand name "Jindal Star" for Jindal Pipes Limited. We follow international standard manufacturing practises and our Manufacturing Facility benefits from the quality benchmarking certifications such as (i) ISO 9001:2015 for manufacturing & supply of ERW Steel Pipes-Black & Galvanized with certificate number 10116-AQMS-0216 approved by Global Accreditation Board and International Council of Accreditation Bodies issued by Acerna Management Systems Private Limited, a third party (ii) IS 1239:2004, IS 3601:2006, IS 3589:2001 from Bureau of Indian Standards Such practices and accreditations, coupled with our technical capabilities and know-how enable us to manufacture products for both domestic and international customers.

5. Export of finished goods

We export our manufactured goods for the Jindal Pipes Limited under the brand of Jindal to the overseas customers. We directly deal with our foreign customers & deliver the products directly to customers and also invoice them directly instead of Jindal. Currently we are focusing to increase our export sales. We believe that our diversified customer base provides us significant penetration in the market in which we operate and thereby hedges our business operations from potential sector specific risks, including but not limited to policy announcements, change in global markets and international relations etc.

6. Well-developed distribution and marketing network

With the help of Jindal Pipes Limited, our company has developed and implemented a wide range of networking channels throughout the industry and society to strengthen the scope of identifying core customer base and designing right marketing strategies for procurement and liaising of projects to deliver customized solutions for clients. Our distribution and marketing network ensure our product availability to our customers translating into efficient supply chain, focused customer service and short turnaround times for product delivery. We have customers in domestic as well as in international market, as on March 31, 2024, we have exported around 10 countries across the globe.

7. Integrated manufacturing facility

We do continuous endeavour to maintain the requisite infrastructure and technological upgradation for the smooth running of the manufacturing process as well as to cope with the changing market demand situation. There is a continuous change in the technology and the markets are very dynamic to the change in technology. We keep ourselves technologically upgraded with the latest machines and infrastructure. We have well equipped machinery in all the 2 units.

8. Stable Financial

Your Company maintains good financial discipline and is regular in payment of banks interest/ instalments as well as creditors on time. Your Company follows stringent financial policies. Your Company has policy of having internal audits done from time to time to ensure that there is no margin of error.

5. BUSINESS STRATEGIES

1. Expansion of our footprint in international market

We have successfully exported finished goods under the brand name "Jindal Star" around 10 countries across the globe. We plan to continue our strategy of diversifying and expanding our presence in these regions for the growth of our business. We are selective in expanding to new locations and look at new geographies where we can deliver quality products without experiencing significant delays and interruptions. Through further diversification

of our operations geographically, we hope to hedge against risks of operations in only specific areas and protection from fluctuations resulting from business concentration in limited geographical areas.

2. Continue to enhance our core strengths by attracting, retaining and training qualified personnel

We believe that our ability to effectively execute and manage projects is crucial to our continued success. We understand that maintaining quality, minimising costs and ensuring timely completion of our projects depends largely on the skill and workmanship of our employees. As competition for qualified personnel increases among engineering and manufacturing companies in India, we seek to improve competitiveness by increasing our focus on training our staff. We offer our engineering and technical personnel a wide range of work experience and learning opportunities by providing them with continuous training in latest systems, techniques and knowledge upgradation.

3. Continue to improve operating efficiencies through technology enhancements

Our production process is completely automated with our Manufacturing facilities, housing latest product specific equipment and machineries that support us in manufacturing of our Products in accordance with our customer requirements. In line with our proposed expansion plans, we intend to further develop our technology systems in order to increase asset productivity, operating efficiencies and strengthening our competitive position.

4. Strengthen our Goodwill

We are in the business of manufacturing of mild steel and stainless-steel pipes/tubes since approximately last twenty years whereas our peer group industry players/competitors have the benefit of average 40 years longer operating history in comparison with ours, and therefore, our brand development is at a relatively nascent stage. Considering our current market presence with our customers in diversified sectors and geographies in order to further penetrate the market, we intend to make consistent efforts to strengthen own goodwill with the help of Jindal Pipes Limited and enhance our brand visibility for attaining parity with our industry peers. Towards this end, we intend to undertake various marketing initiatives including participation in industrial trade fares, dealers meet organised by Jindal Pipes Limited. We believe that such initiatives shall improve our brand positioning,

overall brand recall value and support us in our growth strategy.

6. PRODUCT RANGE



1. ERW ("Electric Resistance Welded") Pipes:

The Electric Resistance Welded Pipes are manufactured from high-quality continuous cast, fully killed, control-rolled, low-carbon steel coils which are procured from trusted vendors. The raw material is turned into the final product after being processed in carefully supervised and technically digitized high-end tube mills. The company's tubing processes ensure that ERW pipes manufactured have high strength corrosion resistance, high malleability, superior strength, sturdiness and durability as special features. Provide a range of options in varying qualities, wall thickness, diameters and finishes depending on the requirement of the end-users. Hot rolled coils are purchased from SAIL, JSW etc.

Applications: Water Transport, Oil. Gas & other non-toxic supplies.

2. Hot -Dipped Galvanized Pipes:

Corrosion resistant pipes, i.e. Galvanized Pipes are manufactured at the plant in large quantities, using high-end Zinc to coat. Having a cover of protective zinc, these pipes have maximum resistance to corrosion, increasing their life expectancy. Apart from preventing rust, this process is equally effective in dry and indoor environments. Standard 21-foot zinc coated galvanized tubes and pipes are either threaded or welded, depending on the diameter sizes and finally undergo a heavy-duty saw cutter before moving to quality checks. Zinc is purchased from dealers of Hindustan Zinc Limited.

Applications: Agriculture & Infrastructure. While galvanized pipes do find their way in piping inside buildings for water supply, albeit on a lower scale in recent years, they are more popularly used as Building and structural material, Mechanical an general engineering Public transport bodies like buses, railway boogies. In Telephone department as Conduit Pipes Handrails and replacement of existing pipes.

3. Hollow Sections Tubes:

ERW Pipes are also manufactured in Hollow sections shapes i.e. square and rectangular.

Each steel hollow section features a high strength to weight ratio that results in savings in steel costs. The sections are best suited for welding, are corrosion resistant and easily bendable which leads to the shaping and construction of aesthetically appealing structures without comprising on strength and durability. Customers are provided with an option to primer paint the pipes for protection during storage and handling. Dura Primed primer paint is used to ensure speedy delivery while maintaining quality. Coated pipes offer high resistance to corrosion on pipes and provide many benefits such as:

- Increased Flow Capacity
- Reduced Maintenance Cost
- Lower energy usage and Clean delivery of products

Applications: Hollow sections tubes/Square Tubes used by all the organised & unorganised industries in the market such as uses in offices, factories, Hotels etc.

4. Crash Barrier:

Crash Barrier are manufactured through GI Mild Steel.

Applications: used in railways, highways & roads.

7. FINANCIAL OVERVIEW

During the year, our EBITDA experienced a growth of 6.52%, reaching ₹ 4,672.00 lakh, compared to ₹ 4,385.93 lakh in 2022-23. However, our operating income for the full year totalled ₹ 1,07,271.47 lakh, representing a decline of 3.63% from ₹ 1,11,311.90 lakh in 2022-23. Additionally, our PAT decreased by 15.89% in 2023-24, falling to ₹ 1,771.94 lakh from ₹ 2,106.62 lakh in 2022-23. This decline is due to decrease in sale price, quantity sold in 2023-24 is more than the quantity sold in 2022-23 but all figures has been decreased due to decrease in selling price. In November 2023, we received the allotment letter for land to establish a new facility for Vibhor Steel Tubes Limited in Orissa. Given Orissa's status as the largest iron market, this new facility will help reduce raw material costs and improve margins in the future. We anticipate that production will commence in Fiscal 2025.

Outlook

The fiscal year 2023-24 presented mixed financial results for our company. Despite the challenges faced, there are several positive developments and

strategic initiatives that position us for future growth and improved profitability.

Our EBITDA showed a positive growth of 6.52%, reaching ₹ 4,672.00 lakh, up from ₹ 4,385.93 lakh in 2022-23. This improvement in EBITDA reflects our efforts to manage costs effectively and maintain operational efficiency. However, our operating income for the full year decreased by 3.63% to ₹ 1,07,271.47 lakh, compared to ₹ 1,11,311.90 lakh in the previous year. The decline in operating income can be attributed to the reduced selling prices, despite an increase in the quantity sold.

Our Profit After Tax (PAT) decreased by 15.89% to ₹ 1,771.94 lakh, down from ₹ 2,106.62 lakh in 2022-23. This decline was primarily due to the reduced sale prices, which offset the higher sales volumes achieved during the year. The decrease in selling prices has impacted our profitability, but we remain committed to enhancing our sales and pricing strategies to better align with market conditions.

A significant development this year was the receipt of the allotment letter for land to establish a new facility for Vibhor Steel Tubes Limited in Orissa, which is the largest iron market. This strategic move will allow us to reduce raw material costs and improve margins in the future. We anticipate that the new facility will commence production in Fiscal 2025, providing a strong foundation for future growth and profitability.

Looking ahead, we are optimistic about our ability to navigate market challenges and capitalize on new opportunities. Our focus will be on optimizing production, enhancing operational efficiencies, and leveraging the strategic location of our new facility in Orissa to drive long-term growth and value for our stakeholders.

8. CORPORATE SOCIAL RESPONSIBILITY

The Company truly believes that social and economic development is imperative for the evolution of a sustainable society and strives to contribute positively towards this. The well-defined Corporate Social Responsibility ("CSR") Policy outlines the beneficial contributions the Company embarks on towards the economic, environmental, and social well-being of communities. The Company is committed to make a positive influence in the communities in which it operates. It is striving tirelessly to become a consistent, credible, and responsible business partner. The Company's CSR Committee develops the CSR Policy and advises the Board about it. The Committee is responsible for monitoring various activities like waste management, sanitation initiatives, skill-based education, improving the lives of underprivileged, eradicating hunger and women &

youth empowerment, as per focus area in a particular year. The Committee also supports initiatives for national missions, disaster relief and environmental sustainability. During FY 23-24, the Company invested 21.95 lakhs towards Animal Welfare, Social Welfare and education for underprivileged children.

9. RISKS AND MITIGATION STRATEGIES

Economic Risk: The demand of the steel sector is highly dependent on the steel consuming sectors, like oil and gas, construction, capital goods, consumer durables, autos, etc. Economic downturn thus will have a strong bearing on the steel demand.

Mitigation strategy: The Company has strategically diversified its geographical presence and built a strong brand equity to reduce its exposure to business cycles. In addition, a broad range of superior quality products, catering to a variety of end user sectors, enables the Company to build a resilient business model. The robustness of the business model is well-reflected in the robust volume growth witnessed in FY23-24 despite global economic slowdown

Supply-Demand Risk: In the event of oversupply and/or overcapacity, there will be a rise in low-cost imports to India. In such an event, steel prices may fall, impacting indigenous players.

Mitigation strategy: The Company's rich experience in the industry, global presence, broad client profile, long-standing customer relationships, technological investments and robust manpower, enable it to tap the pulse of the market. The Company closely monitors the global steel demand and market dynamics to maintain an ideal production capacity based on a realistic view. This enables the Company to reduce supply demand risk.

Competition Risk: Given the lucrative growth prospects of the steel industry, the Company face intense competition from existing players and new entrants. Any change in marketing strategies of the existing players or introduction of superior technology may lead to intensified competition.

Mitigation Strategy: The Company leverages its in-depth market knowledge, long standing customer relations and state-of-the-art technology to produce superior quality value added advanced products. The Company is on top of its marketing game and ensures robust brand equity. The Company prioritises maintaining profitable and efficient manufacturing processes. To meet the ever-evolving needs of its customers, the Company significantly invests in

capacity expansion and capabilities of its strategically positioned manufacturing sites.

Input Risk: Raw materials form a significant cost component for the Company. Volatility in prices of key raw materials, thus has a significant bearing on earnings. In addition, limited availability or unavailability of any raw material may hamper the production process.

Mitigation Strategy: The Company closely monitors the fluctuation in prices of its raw materials and modifies its strategy or initiates corrective actions to ensure input risk is avoided. To reduce supply chain risk, the Company uses diversified raw material sources, both geographically and in terms of multiple vendors. Buffer inventory, long term contracts with suppliers, and close monitoring of stock levels as per demand-supply dynamics, enables the Company to minimize input risk.

Regulatory Risk: The global steel industry is highly regulated and competitive. The Company needs to comply with all applicable regulations. Failure to comply with a regulation, be it an existing one or any new one, may impact normal course of business.

Mitigation Strategy: The Company closely monitors the ever-evolving regulatory environment to ensure compliance with all applicable laws and statutes. The Company is prompt in bringing about necessary changes as may be required to comply with new/modified regulations. In addition, to enhance compliance, the Company invests in automated systems and training.

Foreign Exchange Risk: The Company has exposure to foreign currency due to trading of raw materials and finished goods across international geographies. The Company also deals in additional payments in foreign currency. Any volatility in forex rates impacts the earnings of the Company.

Mitigation Strategy: A comprehensive Foreign Exchange (FX) risk management system enables the Company to effectively analyse and monitor currency movements. Accordingly, the Company hedges its forex position to reduce risks related to currency movement. To further reduce foreign exchange risk, the Company uses a variety of derivative financial instruments, including forward contracts.

10. HUMAN RESOURCES

The Company considers its employees as the most important asset and integral to its growth and continued success. Over the past years, the

Company has increased its focus on its employee engagement and development, launching various new initiatives with the goal of attracting, engaging, retaining, and fostering key talent and diversity across the organization.

We believe that the strength of our company lies in its people, and our success is directly linked to the success and growth of our team members. We are committed to fostering an environment that encourages personal development and supports growth within a welcoming and secure atmosphere. Furthermore, we place great importance on diversity within our team and value each individual's contributions. Our ability to identify, recruit, and retain talent has been a significant factor in our growth and expansion. Our human capital is our greatest tool for shaping the future of the company and is essential to our efficient operations. The Company has implemented important HR initiatives and people management practices effectively.

11. KEY FINANCIAL RATIOS

Particulars	Unit	FY 2023-24	FY 2022-23
Current Assets/ Current Liabilities	Times	1.54	1.25
Net Debt/Net Worth	Times	0.79	1.63
Earnings available for Debt services/Debt, Lease and Interest Payments	Times	2.09	3.06
Profit after tax/ Average Net worth	Times	0.13	0.26
Cost of Goods sold/ Average Inventory	Times	6.73	9.30
Net sales/Average Trade receivable	Times	20.36	22.43
Total Consumption / Trade Payable	Times	20.21	25.28
Net sales/Net worth	Times	6.03	11.94
Profit after tax/Net sales	Times	0.017	0.019
EBIT/Average capital employed	Times	0.13	0.17

12. HEALTH AND SAFETY MEASURES

The safety of our employees is our highest priority. Our factory managers play a crucial role in our safety initiatives, conducting regular inspections and assessments related to health, safety, and environmental (HSE) practices across all our facilities. Thanks to their efforts, we have implemented numerous measures to improve the health and safety of our workforce.

We have also formed specialized teams at each of our manufacturing locations to quickly identify and address any safety concerns. Our company enforces a strict set of health and safety guidelines that all employees must follow to ensure a safe working environment.

In light of the pandemic, we intensified our health and safety protocols. Beyond complying with government regulations, we implemented regular sanitization practices and ensured physical distancing. We also introduced periodic testing for employees and monitored entry with oximeter and thermal screenings. To support our employees during these challenging times, we launched wellness programs aimed at fostering resilience, managing change, and promoting the well-being of both employees and their families.

13. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a strong internal control system in place that is well-suited to the size and nature of its operations. These internal controls, which consist of various policies and procedures, are designed to ensure that our operations are managed effectively and are in line with the Company's strategic goals. They address key areas such as governance, compliance, auditing, control, and reporting.

Our internal controls are crucial for ensuring compliance with regulatory requirements, preventing fraud and errors, protecting the Company's assets and finances, and maintaining the accuracy and reliability of our financial transactions and reporting.

The Company's audit committee regularly reviews the effectiveness of these internal control systems. Any significant findings and recommendations are reported to management, which then takes the necessary corrective actions to ensure the continued efficiency and effectiveness of our internal controls.

14. CAUTIONARY STATEMENT

The Management Discussion and Analysis may include statements regarding the Company's objectives, plans, projections, estimates, and expectations that are considered 'forward-looking statements' under applicable securities laws and regulations. These statements are based on informed judgments and estimates. However, actual results may vary significantly from those expressed or implied due to factors outside the Company's control, both external and internal. The Company does not assume any obligation to publicly update, amend, or revise these forward-looking statements in response to future developments, new information, or events.

On behalf of the Board of Directors For VIBHOR STEEL TUBES LIMITED

Mr. Vijay Kaushik **Mr. Vibhor Kaushik**

Date: 13th August 2024 Chairman and Managing
Director Director
Place: HISAR DIN: 02249672 DIN: 01834866

Independent Auditors' Report

To the members of Vibhor Steel Tubes Limited

REPORT ON THE AUDIT OF IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS financial statements of **VIBHOR STEEL TUBES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2024, and the Statement of Profit and Loss including other comprehensive income, statement of changes in equity and the Statement of cash flows for the year then ended, and notes to the Ind AS financial statements, including 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024 and profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Act 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 Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our

opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit 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 information included in the Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS 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 during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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 Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2024 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 Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report, 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;	iii. There has been no delay and in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.
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;	iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
c) The Ind AS Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;	(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recoded in the writing or otherwise, that the Company shall, whether directly, or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;	(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
e) On the basis of the written representations received from the directors as on 31 st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;	v. The Company has not declared or paid any dividend during the year and therefore compliance of Section 123 of the Act, is not applicable.
f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report,	vi. Based on our examination which included test checks, the company has used accounting software for maintaining its
g) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the act,	
h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:	
i. The Company does not have any pending litigations which would impact its financial position.	
ii. The Company did not have any long-term derivative contracts including derivative contracts for which there were any material foreseeable losses.	

books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

For Ashok Kumar Goyal & Co
Chartered Accountants
(Firm Registration – 002777N)

CA. Ashok Kumar Goyal
Partner, F.C.A
Membership No. 017644

Place: Hisar
Date: 28th May, 2024
UDIN: 24017644BKEKFG4164

“Annexure A” to the Independent Auditor’s Report on the Ind AS Financial Statements of Vibhor Steel Tubes Limited for the year ended March 31, 2024

[Referred to in Paragraph 1 under “Report on Other Legal and Regulatory Requirements” in the Independent Auditor’s Report]

Report 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 the section 143 of the company act, 2013.

- i.

(a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of Intangible Assets.

(b)

According to the information and explanations given to us the company has a phased program of physical verification of Property, Plant and Equipment which in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. In accordance with this program, certain Property, Plant and Equipment were physically verified by the Management during the year and no material discrepancies were noticed on such verification.

(c)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties are held in the name of the Company.

(d)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.

(a)

According to the information and explanations given to us and on the basis of our examination inventory has been physically verified at reasonable intervals during the year, the coverage and procedure of such verification by the management is reasonable and appropriate in relation to the size and nature of its business and the discrepancies noticed between the physical stock as compared to book records were not 10% or more in aggregate for each class of inventory.

(b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks or financial institutions on the basis of security of current assets. The company has filed quarterly returns or statements with such banks, which are in agreement with the books of account of the Company.

iii.

(a)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has provided loan to one Company. The company has not provided any advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the terms and conditions of the grant of loans provided to companies are not prejudicial to the Company's interest. The Company has not made any investment, given any security, provided any guarantee and has not granted any advances in nature of loans during the year to [companies, firms, Limited Liability Partnerships or any other parties].

(c)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans and advances in the nature of loans, the loan is repayable on demand.

(d)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans and advances in the nature of loans the amount is not overdue for more than ninety days.
- | Particulars (₹ In Crores) | Loans |
|---|-------|
| Aggregate amount granted/ provided during the year | |
| Other Parties | 4.00 |
| Balance outstanding as at balance sheet date (including opening balances) | |
| Other Parties (Interest Receivable) | 0.09 |
- (e)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no fresh loan has renewed or extended granted to settle the overdues of existing loans giving to same parties.

(f)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has granted loan or advances in the nature of loans repayable on demand. Aggregate amount of loan granted to promoters, related parties ad defined in clause 76(2) of the Companies Act, 2013 is Nil.

iv.

According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Accordingly reporting under clause 3(iv) of the Order is not applicable to the Company.

v.

According to the information and explanations given to us, during the year the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi.

We have broadly reviewed books of account maintained by the Company pursuant to the rules prescribed by the Central Government of India for the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed records and accounts have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate or complete.

vii.

(a)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b)

According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, duty of excise, duty of custom, or value added tax, Goods and Service Tax (GST) and other material statutory dues which have not been deposited by the company on account of disputes.

viii.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix.

(a)

According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loan or other borrowing or in payment of interest thereon to any lender during the year.

(b)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c)

According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d)

According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been utilized for long term purposes.

(e)

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f)

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

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- x. (a) In our opinion, moneys raised by way of initial public offer during the year, have been, prima facie, applied by the Company for the purposes for which they were raised. However, out of the total proceeds of Rs. 72.17 Crores balance of Rs. 3.60 Crores remain unutilized during the year; out of which, amount of Rs. 3.25 Crores have been invested in bank deposits as on March 31, 2024 and remaining amount of Rs. 0.35 have been deposited in IPO Account.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor we have been informed of any such case by the Management. Accordingly, reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor and secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii)(a)(b)(c) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the record of the Company, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and relevant details of such transactions have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) According to the information and explanations given to us and based on our examination of the record of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not incurred cash losses in the current and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year as the company is in the process of listing and the previous auditor was not a peer reviewed firm. We have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note No. 45 in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other

information accompanying the financial statements, 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 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) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, in respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance

with second proviso to sub section 5 of section 135 of the Act.

- (b) The Company has not undertaken any ongoing project during the financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For Ashok Kumar Goyal & Co
Chartered Accountants
(Firm Registration – 002777N)

CA. Ashok Kumar Goyal
Partner, F.C.A
Membership No. 017644

Place: Hisar
Date: 28th May, 2024
UDIN: 24017644BKEKFG4164

“Annexure B” to the Independent Auditor’s Report of Even Date on the Financial Statements of Vibhor Steel Tubes Limited for the year ended March 31, 2024

[Referred to in Paragraph 2(vi) under “Report on Other Legal and Regulatory Requirements” in the Independent Auditor’s Report]

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

We have audited the internal financial controls with reference to financial statements of **VIBHOR STEEL TUBES LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for 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 with reference to financial statements 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements,

assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system with reference to Ind AS financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial controls with reference to these financial statements 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 with reference to financial statements 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Ashok Kumar Goyal & Co
Chartered Accountants
(Firm Registration – 002777N)

CA. Ashok Kumar Goyal
Partner, F.C.A
Membership No. 017644

Place: Hisar
Date: 28th May, 2024
UDIN: 24017644BKEKFG4164

Standalone Balance Sheet

As at March 31, 2024

(All amounts in Indian Rupees Lacs, unless otherwise stated)			
Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023
ASSETS			
(A) Non-Current Assets			
(a) Property, Plant and Equipment	3	6,636.44	5,433.30
(b) Capital work-in-progress	3A	1,219.81	-
(c) ROU Asset	4	252.71	-
(d) Financial Assets			
(i) Other Financial Assets	5	182.04	71.15
(e) Other Non Current Assets	6	1,796.59	713.26
Total Non-Current Assets (A)		10,087.59	6,217.72
(B) Current Assets			
(a) Inventories	7	17,088.29	12,029.86
(b) Financial Assets			
(i) Trade receivables	8	5,093.81	5,444.81
(ii) Cash and cash equivalents	9	959.12	943.38
(iii) Bank Balances other than (ii) above	10	1,448.35	1,611.86
(iv) Other Financial Assets	11	1,721.77	891.07
(c) Current Tax Assets (net)	12	-	-
(d) Other current assets	13	1,920.54	2,224.30
Total Current assets (B)		28,231.89	23,145.28
TOTAL ASSETS (A+B)		38,319.49	29,363.01
EQUITY AND LIABILITIES			
(A) Equity			
(a) Equity Share Capital	14	1,896.24	1,418.30
(b) Other Equity	15	15,882.09	7,901.49
Total Equity (A)		17,778.34	9,319.79
Liabilities			
(B) Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	16	1,940.46	1,351.34
(ii) Lease Liabilities	4	37.57	-
(b) Provisions	17	109.66	92.02
(c) Deferred tax liabilities (Net)	18	137.53	155.01
Total Non-Current Liabilities (B)		2,225.22	1,598.36
(C) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	12,125.63	13,886.42
(ii) Trade Payables			
(A) total outstanding dues of micro enterprises and small enterprises; and	20	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	20	5,612.75	4,161.74
(iii) Other Financial Liabilities	21	290.94	134.02
(iv) Lease Liabilities	4	51.30	-
(b) Other current liabilities	22	218.03	176.55
(c) Provisions	23	26.73	13.69
(d) Current Tax Liabilities (net)	24	(9.46)	72.44
Total Current Liabilities (C)		18,315.93	18,444.86
Total liabilities (B+C)		20,541.15	20,043.22
TOTAL EQUITY AND LIABILITIES (A+B+C)		38,319.49	29,363.01

See accompanying Notes forming part of the Financial Statements.

As per our Report of even date
For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

For and on behalf of the Board

Ashok Kumar Goyal
Partner
M. No.: 017644

UDIN: 24017644BKEKFG4164
Date : 28.05.2024
Place : Hisar

Vijay Kaushik
Chairman
DIN: 02249672

Anil Jain
Chief Financial Officer
M No: 541530

Vibhor Kaushik
Managing Director
DIN: 01834866

Lovkesh
Company Secretary
M No : A68975

Statement of Profit and Loss

For the year ended March 31, 2024

(All amounts in Indian Rupees Lacs, unless otherwise stated)			
Particulars	Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue:			
I. Revenue from Operations (Net)	25	107,271.47	111,311.90
II. Other income	26	166.33	125.92
III. Total revenue (I+II)		107,437.81	111,437.82
IV. Expenses:			
Cost of Raw material consumed	27	98,778.65	106,510.20
Changes in inventories of finished goods	28	(2,862.98)	(5,225.42)
Employee benefit expenses	29	2,098.04	1,751.66
Finance costs	30	1,807.24	1,225.57
Depreciation and Amortization	31	829.29	636.51
Other expenses	32	4,378.05	3,716.94
Total Expenses (IV)		105,028.29	108,615.46
V. Profit before Taxes (III)-(IV)		2,409.52	2,822.36
VI. Tax Expense			
(a) Current Tax	33	652.77	723.13
(b) Deferred tax expense/(credit)	33	(15.20)	(7.39)
VII. Profit for the period/ year (V)-(VI)		1,771.94	2,106.62
VIII. Other Comprehensive Income (OCI)			
(a) Items that will not to be reclassified to profit and loss:			
(i) Remeasurement gain/ (loss) on defined benefit obligation	34	5.33	14.39
(ii) Income Tax relating to items that will not be reclassified to profit and loss	34	2.28	1.48
IX. Total Comprehensive Income for the period (VII+VIII)		1,779.55	2,122.50
Earnings per Equity Share (Face Value: Rupees 10)			
- Basic	36	9.34	14.85
- Diluted	36	9.34	14.85

See accompanying Notes forming part of the Financial Statements.

As per our report of even date
For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Ashok Kumar Goyal
Partner
M. No.: 017644

UDIN: 24017644BKEKFG4164
Date : 28.05.2024
Place : Hisar

For and on behalf of the Board

Vijay Kaushik
Chairman
DIN: 02249672

Anil Jain
Chief Financial Officer
M No: 541530

Vibhor Kaushik
Managing Director
DIN: 01834866

Lovkesh
Company Secretary
M No : A68975

Statement of Cash Flows

As at March 31, 2024

(All amounts in Indian Rupees Lacs, unless otherwise stated)		
Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before Exceptional items and Tax	2,409.52	2,822.36
Non-cash adjustments:		
Add: Depreciation and amortisation expenses	829.29	636.51
Add: Provision for Grautity	36.78	30.04
Add: Provision for Leave encashment	10.84	-
Add: Finance Costs	1,807.24	1,225.57
Less: Interest Income	(175.12)	(121.34)
Less: Profit on Sale of Property, Plant and Equipment	(0.08)	(0.38)
Operating profit before working capital changes	4,918.46	4,592.75
Changes in working capital :		
(Increase)/ Decrease in Inventories	(5,058.43)	(1,908.74)
(Increase)/Decrease in Trade Receivables	351.00	(963.69)
(Increase)/Decrease in Other Current Assets	303.76	136.97
(Increase)/Decrease in Other Financial Assets	(830.71)	(278.46)
Increase/(Decrease) in Trade Payables	1,451.01	(102.90)
Increase/(Decrease) in Other Current Liabilities	41.47	(42.94)
Increase/(Decrease) in Other Financial Liabilities	156.92	(38.70)
Gratuity Paid	(11.59)	(270.71)
Cash generated from operations	1,321.90	1,123.57
Income tax (Refund)/ paid during the year	(734.67)	(420.34)
Net cash from operating activities (A)	587.24	703.23
B. CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	175.12	121.34
Purchase of Property, Plant and Equipment and Capital Work in Progress	(3,202.76)	(1,086.02)
Payment for Lease Liabilities	(220.21)	-
Security Deposit paid considered as ROU asset	(3.97)	-
Sale of Property, Plant and Equipment	1.35	2.60
(Increase)/Decrease in Other Non Current Assets	(110.89)	(20.17)
(Increase)/Decrease in Other Non Current Financial Assets	(1,083.33)	(571.38)
Net cash from/(used in) investing activities (B)	(4,444.70)	(1,553.62)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(1,807.24)	(1,225.57)
Notional Interest on Lease Liability	9.59	-
Proceeds from issue of Shares (IPO)	7,216.96	-
IPO issue expenses	(537.96)	-
Increase/(Decrease) from Short-Term Borrowings	(1,760.78)	2,605.63
Increase/(Decrease) of Long-term Borrowings	589.12	(73.01)
Net cash from financing activities (C)	3,709.68	1,307.06
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(147.77)	456.69
Cash and cash equivalents at beginning of the year	2,555.24	2,098.56
Cash and cash equivalents at end of the year	2,407.47	2,555.24

See accompanying Notes forming part of the Financial Statements.

As per our report of even date For and on behalf of the Board
For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Ashok Kumar Goyal
Partner
M. No.: 017644

UDIN: 24017644BKEKFG4164
Date : 28.05.2024
Place : Hisar

Vijay Kaushik
Chairman
DIN: 02249672

Anil Jain
Chief Financial Officer
M No: 541530

Vibhor Kaushik
Managing Director
DIN: 01834866

Lovkesh
Company Secretary
M No : A68975

Statement Of Changes in Equity

For the year ended March 31, 2024

(All amounts in Indian Rupees Lacs, unless otherwise stated)

A. Equity Share Capital				
Particulars		Amount	No. of Shares	
Balance as at March 31, 2022		1,418.30	141.83	
Add: Shares issued during the year		-		
Balance as at March 31, 2023		1,418.30	141.83	
Add: Shares issued during the year		477.94	47.79	
Balance as at March 31, 2024		1,896.24	189.62	
B. Other Equity				
Particulars	Retained Earnings	Securities Premium	Other Comprehensive Income	Total Other Equity
Balance as at April 1, 2022	5,763.81	-	15.18	5,778.99
Profit for the year	2,106.62	-	-	2,106.62
Remeasurement of defined benefit obligations	-	-	15.88	15.88
Transfer to Retained earnings	15.18	-	(15.18)	-
Balance as at March 31, 2023	7,885.61	-	15.88	7,901.49
Balance as at April 1, 2023	7,885.61	-	15.88	7,901.49
Profit for the year	1,771.94	-	-	1,771.94
Premium on issue of Shares	-	6,739.01	-	6,739.01
IPO Issue expenses	-	(537.96)	-	(537.96)
Remeasurement of defined benefit obligations	-	-	7.61	7.61
Transfer to Retained earnings	15.88	-	(15.88)	-
Balance as at March 31, 2024	9,673.43	6,201.05	7.61	15,882.09

Nature and purpose of reserves:

Retained earnings represent unallocated/un-distributed profits of the Company. The amount that can be distributed as dividend by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus amount reported above are not distributable in entirety.

Other comprehensive income consists of remeasuement of defined benefit liability and debt instruments measured through other comprehensive income, net of taxes.

Securities premium is created on excess amount received over and above the face value on issue of the shares and securities. The securities premium can be utilised in accordance with the provisions of Section 52 of the Companies Act 2013. These include issue of bonus shares and writing of expenses incurred such as commission etc. on issue of shares/securities.

See accompanying Notes forming part of the Financial Statements.

As per Report of even date For and on behalf of the Board
For M/s Ashok Kumar Goyal & Co.
Chartered Accountants
Firm Registration Number: 002777N

Ashok Kumar Goyal
Partner
M. No.: 017644

UDIN: 24017644BKEKFG4164
Date : 28.05.2024
Place : Hisar

Vijay Kaushik
Chairman
DIN: 02249672

Anil Jain
Chief Financial Officer
M No: 541530

Vibhor Kaushik
Managing Director
DIN: 01834866

Lovkesh
Company Secretary
M No : A68975

Notes to the Financial Statements

For the year ended March 31, 2024

1. COMPANY OVERVIEW

Vibhor Steel Tubes Private Limited was incorporated on April 16, 2003 with Registrar of Companies (ROC), Delhi under the provisions of Companies Act 1956. Thereafter, the name of our Company was changed from 'Vibhor Steel Tubes Private Limited' to 'Vibhor Steel Tubes Limited' upon conversion of the Company from Private to Public Company pursuant to a special resolution passed by the shareholders of our Company on June 14, 2023 and a fresh certificate of incorporation consequent to change of name from Vibhor Steel Tubes Private limited to Vibhor Steel Tubes Limited was issued by ROC on 07 July 2023. The Company's Corporate Identity Number is U27109HR2003PLC035091. The company is engaged in the business of manufacturing of ERW Pipes & Tubes, Galvanized Pipes & Tubes and Crash Barriers.

The Registered office of company is situated at Plot No. 2, Industrial Development Colony, Delhi Road Hisar Haryana 125005 India.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by Ministry of Corporate Affairs under section 133 of the Companies Act 2013 ("the Act"). In addition, the Guidance Notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) from time to time are also applied except where compliance with other statutory promulgations require a different treatment. These financials statements have been approved for issue by the Board of Directors at their meeting held on May 28, 2024.

2.2 Basis of preparation

For all periods up to March 31, 2023, the company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements for the year ended March 31, 2023 are the first financials the company has prepared in accordance with Ind-AS for IPO purposes.

The company maintains accounts on accrual basis. The company has consistently applied the accounting policies used in the preparation of its opening IND-AS Balance Sheet at April 1, 2021 throughout all periods presented in the prospectus filed for IPO, as

if these policies had always been in effect and are covered by IND AS 101 "First-time adoption of Indian Accounting Standards". The transition was carried out from accounting principles generally accepted in India ("Indian GAAP") which is considered as the previous GAAP, as defined in IND AS 101.

Going Concern :

The financials statements have been prepared on a going concern basis using historical cost convention, except for the Net defined Benefit (asset)/ liability measured at Fair Value of Plan Assets less Present value of defined benefit obligations.

2.3 Use of estimates

The preparation of the financial statements is in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses the disclosures of contingent assets and liabilities at the date of the financial statements. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates.

The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period. If the revision affects both current and future period, the same is recognised accordingly.

The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Information about estimates and judgements made in applying accounting accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed in **Note 2.5**.

2.4 Significant accounting policies

(i) Current v/s non-current classification

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

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Based on the nature of service and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the company for the purpose of current / non-current classification of assets and liabilities.

ii) Functional and presentation currency

Amounts in the financial statements are presented in Indian Rupee (₹) in lakhs rounded off to two decimal places as permitted by Schedule III to the Act.

iii) Property, plant and equipment (PPE):

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The initial cost of PPE comprises its purchase cost, including import duties and non refundable purchase taxes, directly attributable costs of bringing an asset to working condition and location for its intended use. Borrowing costs in case of qualifying assets are capitalised in accordance with the Company's accounting policy. Freehold Land is carried at historical costs. Other PPE is stated at original cost net of tax/duty credits availed, if any less accumulated depreciation and cumulative impairment, if any.

If significant parts of an item of PPE have different useful lives, then they are accounted for as a separate items (major component) of PPE. Likewise, expenditure towards major inspections and overhauls are identified as separate

component and depreciated over the expected period till the next overhaul expenditure.

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". At the point when an asset is capable of operating in the manner as intended by the management, the cost of construction is transferred to the appropriate category of PPE. Cost associated with commissioning of an asset are capitalized until the period of commissioning has been completed and asset is ready for its intended use.

Depreciation is recognised using written down value method so as to write off the cost of the assets (other than freehold land and capital work-in-progress) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

Depreciation commences when the assets are ready for the intended use. Depreciation on additions to deductions from, owned assets is calculated pro rata to the period of use.

PPE is de recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de recognition is recognised in the Statement of Profit and Loss in the same period.

The estimated useful lives, residual values and depreciation method are reviewed at each financial year end and the effect of any change is accounted for on prospective basis.

The carrying amount of the all property, plant and equipment are derecognized on its disposal or when no future economic benefits are expected from its use or disposal and the gain or loss on de-recognition is recognized in the statement of profit & loss.

iv) Financial instruments-initial recognition, subsequent measurement and impairment

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

Financial assets

(a) Initial recognition and measurement:

All financial assets are recognised initially at fair value and, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset, are added to or deducted from the fair value on initial recognition.

(b) Subsequent measurement

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

(c) Classification:

The company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

(d) Financial assets measured at amortised cost:

Financial assets are measured at amortised cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely for payments of principal and interest. Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The losses arising from impairment are recognised in the Statement of profit and loss. This category generally applies to trade and other receivables.

(e) Financial assets measured at fair value through other comprehensive income (FVTOCI):

Financial assets under this category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income.

(f) Financial assets measured at fair value through profit or loss (FVTPL):

Financial assets under this category are measured initially as well as at each reporting date at fair value with all changes recognised in profit or loss.

(g) Investment in Equity Instruments:

Equity instruments which are held for trading are classified as at FVTPL. All other equity instruments are classified as FVTOCI. Fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to profit or loss.

(h) Derecognition of Financial assets:

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the company has transferred its rights to receive cash flows from the asset, if an entity transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it shall recognise either a servicing asset or a servicing liability for that servicing contract. If the fee to be received is not expected to compensate the entity adequately for performing the servicing, a servicing liability for the servicing obligation shall be recognised at its fair value. If the fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised for the servicing right at an amount determined on the basis of an allocation of the carrying amount of the larger financial asset.

(i) Impairment of Financial assets:

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments and trade receivables. For recognition of impairment loss on other financial assets and risk exposure, the

company determines that whether there has been a significant increase in the credit risk since initial recognition.

Financial Liabilities

(a) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

(b) Classification & Subsequent measurement:

If a financial instrument that was previously recognised as a financial asset is measured at fair value through profit or loss and its fair value decreases below zero, it is a financial liability measured in accordance with IND AS. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term.

The company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Financial liabilities at amortised cost (Loans and borrowings) :

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. After initial recognition Gain and Liabilities held for Trading are recognised in statement of profit and Loss Account.

Financial liabilities at fair value through profit or loss :

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the consolidated statement of profit and loss.

(c) Derecognition of Financial Liabilities:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting financial instruments:

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

Subsequent recoveries of amounts previously written off are credited to Other Income.

v) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and

short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management. Cash Flow Statement has been prepared using Indirect Method.

vi) Provisions, contingent liabilities and contingent assets

(a) General

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, the amount of a provision shall be the present value of expense expected to be required to settle the obligation. Provisions are therefore discounted, when effect is material, The discount rate shall be pre-tax rate that reflects current market assessment of time value of money and risk specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

(b) Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, Contingent assets are not recognised, but are disclosed in the notes. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

vii) Share capital and securities premium

Ordinary shares are classified as Equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as securities premium.

viii) Revenues

(a) Sale of products/goods

Revenue from sale of product/goods is recognized at the point in time when control of asset is transferred to the customer, generally on the delivery of the product/goods and there is no uncertainty in receiving the same and there is reasonable assurance that the Company will comply with the conditions attached to them.

The Company considers whether there are other promises in the contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products/goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration: If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of Products/Goods provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

Contract Balances: If an entity performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the entity shall present the contract as a contract asset, excluding any amounts presented as a receivable. A contract asset is an entity's right to consideration in exchange for goods

or services that the entity has transferred to a customer. Similarly, an entity shall recognize contract liability when there is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.

Trade credit: In case of exceptional trade credit agreed with the customers which contain a significant financing component, the transaction price for such trade receivables are discounted, using the rate that would be reflected in a separate financing transaction between the Company and its customers at transaction inception, to take into consideration the significant financing component.

The Company identifies contract assets when the right to consideration in exchange for goods or services transferred to a customer is conditioned on something other than the passage of time and identifies contract liabilities when there is an obligation to transfer goods or services to a customer for which the Company has received consideration.

(b) Sale of services

Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

(c) Other Income

- Interest income is recognised on a time proportion basis.
- Other items of income accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

ix) Taxation

(a) Current tax

Current tax is expected tax payable on the taxable income for the year, using the tax rate enacted at the reporting date, and any adjustment to the tax payable in respect of the earlier periods.

Current tax assets and liabilities are offset where the company has legal enforceable right to offset and intends either to settle on

net basis, or to realize the assets and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

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

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset and when the deferred tax balances relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the company intends to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

(c) Current and Deferred Tax for the Year

Current and deferred tax are recognized in the statement of profit & loss, except when they relates to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax and deferred tax is recognized directly in other comprehensive income or equity respectively.

x) Earning per share

Basic Earnings Per Share is computed by dividing the net profit attributable to the equity shareholders of the company to the weighted average number of Shares outstanding during the period & Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company after adjusting the effect of all dilutive potential equity shares that were outstanding during the period. The weighted average number of shares outstanding during the period

includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

xi) Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) uncalled liability on shares and other investments partly paid;
- (iii) funding related commitment to subsidiary

xii) Employee benefits

The company provides for the various benefits plans to the employees. These are categorized into Defined Benefits Plans and Defined Contributions Plans. Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity.

- a. In respect Defined Contribution Plans, contribution made to the specified fund based on the services rendered by the employees are charged to Statement of Profit & Loss in the year in which services are rendered by the employee.
- b. Liability in respect of Defined Long Term benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in

which they occur. Past Service cost is recognized in the statement of profit & loss in the period of plan amendment.

- c. Liabilities for short term employee benefits are measured at undiscounted amount of the benefits expected to be paid and charged to Statement of Profit & Loss in the year in which the related service is rendered.

xiii) Inventories

Raw materials, work in progress, stores, traded and finished goods

Inventories are valued at the lower of cost (First in First Out - FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes cost of purchase, all charges in bringing the goods to the point of sale, including indirect levies, transit insurance and receiving charges. Finished goods include appropriate proportion of overheads and, where applicable.

Rejection and scrap

Rejection and scrap are valued at net realisable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

ix) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether :

- (i) the contract involves the use of an identified asset
- (ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease, and
- (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right of use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of 12 months (short term) or less and low value leases. For these short term and low value leases, the company recognizes the lease payments as an operating expenses on a straight line basis over the term of the lease.

Right of use assets are recognised on the date of lease commencement (i.e. the date the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation, impairment losses and adjusted for any remeasurement of lease liabilities. Right of use assets are depreciated on a straight line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in the circumstances indicate their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortised cost at the present value of the future payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are measured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

x) Foreign currency reinstatement and translation

a) Functional and presentation currency

Standalone financial statements have been presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

b) Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items are measured in terms of historical cost in foreign currencies and are therefore not retranslated.

xi) Derivative financial instruments:

The Company uses derivative financial instruments, such as forward contracts to hedge its foreign currency exposure. The recognizing of the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Fair value hedge

The Company designates derivative contracts or non-derivative financial assets/ liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortized to Statement of Profit and Loss over the period of maturity.

xii) **Borrowing costs**

- a) Borrowing costs that are attributable to the acquisition, construction, or production of a qualifying asset are capitalized as a part of the cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such short term investments is deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year.

Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying asset is suspended.

- b) All other borrowing costs are recognized as expense in the period in which they are incurred.
- c) EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability. When calculating the effective interest rate (EIR) the company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

xii) **Fair value measurement**

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

sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

2.5) **Critical accounting estimates, assumptions and judgements**

In the process of applying the company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(i) **Property, plant and equipment**

On transition to Ind AS, the company has adopted optional exemption under IND AS 101 for fair valuation of property, plant and equipment. and investment properties. Management believes that the assigned fair value, useful lives and residual value are reasonable.

(ii) **Income taxes**

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to

the amounts reported in the standalone financial statements.

(iii) **Contingencies**

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the company as it is not possible to predict the outcome of pending matters with accuracy.

(iv) **Allowance for uncollectable accounts receivable and advances**

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

2.6) **Standards issued but not yet effective**

On March 23, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023.

This notification has resulted into amendments in the following existing accounting standards which are applicable to Companies from April 1, 2023.

- i. Ind AS 101 - First-time Adoption of Indian Accounting Standards
- ii. Ind AS 102 - Share-based Payment
- iii. Ind AS 103 - Business Combination
- iv. Ind AS 107 - Financial Instruments Disclosures
- v. Ind AS 109 - Financial Instrument
- vi. Ind AS 115 - Revenue from Contracts with Customers
- vii. Ind AS 1 - Presentation of Financial Statements
- viii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 - Income Taxes
- x. Ind AS 34 - Interim Financial Reporting

The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

NOTE 3: PROPERTY, PLANT & EQUIPMENT

Particulars	Freehold Land	Building	Plant & Machinery	Vehicles	Office Equipment	Computer	Furniture & Fixture	Total
Gross Block								
Balance as at April 1, 2022	279.32	2,954.22	5,845.88	228.32	34.57	31.75	82.54	9,456.59
Additions for the period	-	44.31	868.82	159.14	0.48	12.15	1.12	1,086.02
Disposals	-	-	-	8.56	-	-	-	8.56
Balance as at March 31, 2023	279.32	2,998.52	6,714.70	378.90	35.05	43.90	83.66	10,534.05
Additions for the period	658.41	103.94	1,047.91	140.49	22.08	3.39	6.73	1,982.95
Disposals	-	-	-	(5.04)	-	-	-	(5.04)
Balance as at March 31, 2024	937.73	3,102.47	7,762.61	514.34	57.13	47.29	90.38	12,511.95
Accumulated Depreciation								
Balance as at April 1, 2022	-	1,200.75	2,993.89	171.69	22.79	27.68	53.78	4,470.58
Deductions/adjustments	-	-	-	6.34	-	-	-	6.34
Depreciation for the year	-	159.21	441.79	24.23	2.36	3.36	5.56	636.51
Balance as at March 31, 2023	-	1,359.95	3,435.68	189.57	25.16	31.04	59.34	5,100.75
Deductions/adjustments	-	-	-	(3.77)	-	-	-	(3.77)
Depreciation for the reporting period	-	143.92	540.17	81.19	3.53	4.71	5.02	778.53
Balance as at March 31, 2024	-	1,503.88	3,975.85	266.99	28.68	35.75	64.36	5,875.51
Net Block								
Balance as at March 31, 2023	279.32	1,638.57	3,279.01	189.33	9.89	12.86	24.31	5,433.30
Balance as at March 31, 2024	937.73	1,598.59	3,786.76	247.35	28.45	11.54	26.02	6,636.44

Notes:

1. The company has elected to continue with the carrying amount of all its property, Plant and Equipment net of Revaluation reserve as at the transition date. i.e. 1st April, 2021 measured as per the previous GAAP and use that carrying amount as its deemed cost as of the transition date.

NOTE 3A: CAPITAL WORK-IN-PROGRESS

Particulars	Building WIP	Plant & Machinery WIP	Total
Gross Block			
Balance as at April 1, 2022	-	-	-
Additions for the period	-	-	-
Disposals	-	-	-
Balance as at March 31, 2023	-	-	-
Additions for the period	562.50	657.31	1,219.81
Disposals	-	-	-
Balance as at March 31, 2024	562.50	657.31	1,219.81
Accumulated Depreciation			
Balance as at April 1, 2022	-	-	-
Deductions/adjustments	-	-	-
Depreciation for the year	-	-	-
Balance as at March 31, 2023	-	-	-
Deductions/adjustments	-	-	-
Depreciation for the reporting period	-	-	-
Balance as at March 31, 2024	-	-	-
Balance as at March 31, 2023	-	-	-
Balance as at March 31, 2024	562.50	657.31	1,219.81

Ageing of Capital-Work-in-Progress (CWIP) :

Year ended March 31, 2024

(₹ in lacs)					
Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Building WIP	562.50	-	-	-	562.50
Plant & Machinery WIP	657.31	-	-	-	657.31

Year ended March 31, 2023

(₹ in lacs)					
Particulars	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Building WIP	-	-	-	-	-
Plant & Machinery WIP	-	-	-	-	-

NOTE 4: RIGHT OF USE ASSETS AND LEASE LIABILITIES

Particulars	Land	Building	Total
As at March 31, 2023			
Opening Balance	0.00	0.00	0.00
Additions	-	-	-
Deductions	-	-	-
Depreciation/Amortisation	0.00	0.00	0.00
Total	0.00	0.00	0.00

As at March 31, 2024

Opening Balance	0.00	0.00	0.00
Additions	190.46	113.00	303.46
Deductions	-	-	-
Asset transfer to Property, Plant and Equipment (PPE)	-	-	-
Depreciation/Amortisation	(0.53)	(50.22)	(50.75)
Total	189.93	62.78	252.71

- (i) ROU assets are amortised from the commencement date on a straight-line basis over the lease term. The lease term is 90 years for land and 2.25 years for Building. The accumulated depreciation on ROU assets is included under depreciation and amortisation expense in the statement of Profit and Loss.

- (ii) The following is the break-up of current and non-current lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liability	51.30	-
Non-current lease liability	37.57	-
Total	88.88	0.00

- (iii) Following is the movement in lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning	-	-
Additions	299.49	-
Finance Cost accrued during the period	9.59	0.00
Payment of lease liabilities	(220.21)	0.00
Balance as at the end	88.88	0.00

NOTE 5: OTHER FINANCIAL ASSETS -NON CURRENT

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	81.57	71.15
Balances in fixed deposit accounts with original maturity more than 12 months	100.47	-
Total	182.04	71.15

NOTE 6: OTHER ASSETS - NON CURRENT

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured considered good, unless otherwise stated)		
Capital Advances	1,796.59	713.26
Total	1,796.59	713.26

NOTE 7: INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Raw-material	5,098.32	2,915.70
Finished Goods	11,761.83	8,898.85
Stores & Spares	228.14	215.31
Total	17,088.29	12,029.86

Note: Inventories have been pledged as security towards Company's borrowings from banks

NOTE 8: TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables considered good-Secured	-	-
Trade receivables considered good-Unsecured	5,093.81	5,444.81
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - unsecured credit impaired	-	-
Total	5,093.81	5,444.81

Trade Receivables ageing schedule

Outstanding for following Periods from due date of Payment						
Particulars	Less than 6 Months	6 Months - 1 year	1 Year - 2 year	2 Year - 3 year	More than 3 years	Total
As at March 31,2024						
(i) Undisputed Trade Receivables - considered good	5,063.50	5.40	0.19	0.48		5,069.57
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	14.31	0.83	9.10	-	-	24.24
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	5,077.81	6.24	9.29	0.48	-	5,093.81

Outstanding for following Periods from due date of Payment						
Particulars	Less than 6 Months	6 Months - 1 year	1 Year - 2 year	2 Year - 3 year	More than 3 years	Total
As at March 31,2023						
(i) Undisputed Trade Receivables - considered good	5,167.09	260.94	14.39	1.78	0.61	5,444.81
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Total	5,167.09	260.94	14.39	1.78	0.61	5,444.81

NOTE 9: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
- In Current Account	0.62	105.96
- In IPO Account	129.71	-
- in Deposits with original maturity of less than 3 months	817.63	831.58
Cash in Hand	11.16	5.84
Total	959.12	943.38

NOTE 10: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Balances in fixed deposit accounts with original maturity more than 3 months but less than 12 months	1,448.35	1,611.86
Total	1,448.35	1,611.86

NOTE 11: OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposit	72.17	-
Export Incentives receivable	28.96	11.77
Discount Receivables	1,577.81	879.30
Others	42.83	
Total	1,721.77	891.07

NOTE 12: CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Tax paid (Net of provision)	-	-
Total	-	-

NOTE 13: OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good:		
Advance to Suppliers	425.94	974.81
Balance with Indirect tax revenues authorities	1,449.65	1,213.30
Balance with Direct tax revenues authorities	9.61	12.71
Prepaid Expenses	20.38	23.14
Advance to Employees	6.36	0.02
Others	8.61	0.31
Total	1,920.54	2,224.30

NOTE 14: EQUITY SHARE CAPITAL

(a) Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Capital				
2,00,00,000 Equity Shares of Rupees 10.00 each	20,000,000	2,000.00	14,500,000	1,450.00
Previously 1,45,00,000 Equity Shares of Rupees 10.00 each	20,000,000	2,000.00	14,500,000	1,450.00
Issued Capital				
1,89,62,443 Equity Shares of Rupees 10.00 each	18,962,443	1,896.24	14,183,000	1,418.30
Previously 1,41,83,000 Equity Shares of Rupees 10.00 each	18,962,443	1,896.24	14,183,000	1,418.30
Subscribed and Fully Paid up Capital				
1,89,62,443 Equity Shares of Rupees 10.00 each	18,962,443	1,896.24	14,183,000	1,418.30
Previously 1,41,83,000 Equity Shares of Rupees 10.00 each	18,962,443	1,896.24	14,183,000	1,418.30
	18,962,443	1,896.24	14,183,000	1,418.30

(b) Reconciliation of the number of shares and amount outstanding as at March 31, 2024 and March 31, 2023

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity Share Capital				
Outstanding at the beginning of the year	14,183,000	1,418.30	14,183,000	1,418.30
Add: Alloted during the year *	4,779,443	477.94	-	-
Balance as at the end of the year	18,962,443	1,896.24	14,183,000	1,418.30

* The Company has completed an IPO of 47,79,443 Equity Shares of Face value of ₹ 10 each at the issue price of Rs.151/- per equity share as fresh issue. The equity shares of the company were listed on NSE and BSE Limited on 20th Feburary, 2024

(c) Detail of shareholder holding more than 5% shares of the Company :

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Mr. Vijay Kaushik	3,995,430	21.07%	3,629,363	25.59%
Ms. Vijay Laxmi Kaushik	4,295,763	22.65%	4,145,763	29.23%
Mr. Vibhor Kaushik	3,470,874	18.30%	3,470,874	24.47%
Vijay Kaushik HUF	1,484,433	7.83%	-	0.00%

(d) Shares held by promoters of the company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Mr. Vijay Kaushik	3,995,430	21.07%	3,629,363	25.59%
Ms. Vijay Laxmi Kaushik	4,295,763	22.65%	4,145,763	29.23%
Mr. Vibhor Kaushik	3,470,874	18.30%	3,470,874	24.47%

Other Disclosures :

The Company has only one class of equity shares having a par value of INR 10.00 per share. Each Shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion of their shareholding.

NOTE 15: OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Retained Earnings		
Balance at the beginning of the financial year	7,885.61	5,763.81
Add : Profit for the period	1,771.94	2,106.62
Add : From Other Comprehensive Income	15.88	15.18
Total (a)	9,673.43	7,885.61
(b) Other comprehensive Income		
Balance at the beginning of the financial year	15.88	15.18
Add: Remeasurement gain/ (loss) on defined benefit obligations	7.61	15.88
Less: Transfer to Retained Earnings	(15.88)	(15.18)
Total (b)	7.61	15.88
(c) Securities Premium		
Balance at the beginning of the financial year	-	-
Add: Premium on Issue of Shares	6,739.01	-
Less: IPO issue expenses	(537.96)	-
Total (c)	6,201.05	-
Total (a+b+c)	15,882.09	7,901.49

NOTE 16 : BORROWINGS (NON-CURRENT)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Term Loan from Banks	1,746.26	1,239.28
Vehicle Loan from Bank and Financial Institutions	194.20	112.06
Total	1,940.46	1,351.34

Notes :

- The company has not defaulted in the repayment of loans, interest as at balance sheet date.
- Bank Loans availed by the company are subject to certain covenants relating to Debt Service Coverage ratio, total outside liabilities to total networth and fixed assets coverage ratio. The company has complied with the covenants as per the terms of loan agreements.
- No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Nature of security and terms of repayment for secured loan is as below:

Loan	Nature of Security	As at March 31, 2024		As at March 31, 2023	
		Non Current Borrowings	Current Borrowings	Non Current Borrowings	Current Borrowings
The loan outstanding is repayable in 67 monthly installments commencing from April 2022 and ending in October 2027. Applicable rate of interest 10.21% (March 31, 2023 : 9.75%)	See Note Below	173.18	51.57	222.13	50.10
The loan outstanding is repayable in 67 monthly installments commencing from April 2022 and ending in October 2027. Applicable rate of interest 10.21% (March 31, 2023 : 9.75%)	See Note Below	127.46	37.96	163.49	36.88
The loan outstanding is repayable in 55 monthly installments commencing from April 2023 and ending in October 2027. Applicable rate of interest 9.25% (March 31, 2023 : 8.85%)	See Note Below	610.31	236.25	853.67	98.44
The loan outstanding is repayable in 61 monthly installments commencing from August 2023 and ending in August 2028. Applicable rate of interest 10.24%.	See Note Below	835.31	221.45	-	-
Repayable in 60 monthly instalments aggregating to 5.50 lakhs. The Interest is payable on monthly basis and the rate of interest is 8% per annum.		0.87	1.22	2.10	1.12
Repayable in 36 monthly instalments aggregating to 10 lakhs. The Interest is payable on monthly basis and the rate of interest is 6.80% per annum.		2.41	3.44	6.85	2.00
Repayable in 36 monthly instalments aggregating to 7 lakhs. The Interest is payable on monthly basis and the rate of interest is 6.87% per annum.		1.69	2.41	4.09	2.10
Repayable in 84 monthly instalments aggregating to 43.76 lakhs. The Interest is payable on monthly basis and the rate of interest is 8.60% per annum.		36.02	5.01	-	-
Repayable in 84 monthly instalments aggregating to 78.64 lakhs. The Interest is payable on monthly basis and the rate of interest is 8.50% per annum.		63.91	9.09	-	-
Repayable in 60 monthly instalments aggregating to 6.38 lakhs. The Interest is payable on monthly basis and the rate of interest is 9.00% per annum.		5.04	1.08	-	-
Repayable in 84 monthly instalments aggregating to 117.90 lakhs. The Interest is payable on monthly basis and the rate of interest is 7.80% per annum.		84.27	14.63	99.01	13.39

Note : *Term Loan Facilities are secured by first pari passu charges through equitable mortgage of the company land and building situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector- 20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets.

NOTE 17: LONG TERM PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	109.66	92.02
Grand Total	109.66	92.02

NOTE 18: DEFERRED TAX LIABILITIES (NET)

Component of deferred tax assets and liabilities are :

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets on account of :		
Provision for Employee benefits	34.33	30.23
Total deferred tax Assets (A)	34.33	30.23
Deferred Tax Liabilities on account of :		
Property, Plant and Equipments	170.51	181.60
Actuarial Gain on defined benefit plan	1.35	3.63
Total deferred tax Liabilities (B)	171.86	185.24
Disclosed as Deferred Tax Liabilites (Net - B-A)	137.53	155.01

Movement in deferred tax liabilities / asset	As at April 1, 2023	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2024
Deferred Tax Assets (A)				
Provision for Gratuity	30.23	4.10	-	34.33
Total	30.23	4.10	-	34.33
Deferred Tax Liabilities (B)				
Property, Plant and Equipments	181.60	(11.10)	-	170.51
Actuarial Gain on defined benefit plan	3.63	-	(2.28)	1.35
	185.23	(11.10)	(2.28)	171.86
Disclosed as Deferred Tax Liabilites (Net - B-A)	155.00	(15.20)	(2.28)	137.53

Movement in deferred tax liabilities / asset	As at April 1, 2022	Recognised in profit & loss	Recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Assets (A)				
Provision for Gratuity	27.77	2.46	-	30.23
Total	27.77	2.46	-	30.23
Deferred Tax Liabilities (B)				
Property, Plant and Equipments	186.54	(4.93)	-	181.60
Actuarial Gain on defined benefit plan	5.10	-	(1.47)	3.63
	191.64	(4.93)	(1.47)	185.23
Disclosed as Deferred Tax Liabilites (Net - B-A)	163.86	(7.39)	(1.47)	155.00

NOTE 19: SHORT-TERM BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Loans repayable on Demand from Banks*	8,390.37	6,332.20
Current maturity of Non current borrowing	584.11	204.02
Unsecured		
Channel Finance		
i) From Banks	1,449.00	1,503.39
ii) From Other Financial Instiutions	(13.06)	3,780.71
Loan From Corporate Body **	1,715.22	1,683.13
Loan from Related Party ** (Refer Note No. 40)	-	382.97
Total	12,125.63	13,886.42

* Working capital Facilities of Vibhor Steel Tubes Limited from bank are secured by first pari passu charges on entire present and future current assets and second charge on presend and future movable fixed asset of the company situated at Gut No 69 and 71, Gut No 86/1 & 2, Gut No 86/2, Gut no. 69/1(Part) & 66, Vill Sukeli Tehsil- Roha Dist. Raigarh, Flat No. 1801, adm. 1362 sq. ft carpet area along with adm, 316 sq. ft. of Terrace and flower bed area 18th Floor, E wing, Building known as The Springs situated at Plot No.4, Sector -20, village kalamboli, Panvel, constructed on land bearing Plot No.4, Sector- 20, Village Kalamboli, Survey No. 513, 515, 516, situated at Udithyal Village, Balanagar Mandal, Mahaboob Nagar District, current assets and movable assets.

** Repayable on demand.

NOTE 20: TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues to micro enterprises and small enterprises (Refer Note 35)	-	-
Total outstanding dues to other than micro enterprises and small enterprises	5612.75	4161.74
Total	5612.75	4161.74

Particulars	Outstanding for following Periods from due date of Payment				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
As at March 31, 2024					
MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	5603.78	2.97	6.00	-	5612.75
Disputed dues-MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
Total	5603.78	2.97	6.00	-	5612.75

Particulars	Outstanding for following Periods from due date of Payment				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
As at March 31, 2023					
MSME	-	-	-	-	-
Total outstanding dues of creditors other than MSME	4159.78	1.96	-	-	4161.74
Disputed dues-MSME	-	-	-	-	-
Disputed dues of creditors other than MSME	-	-	-	-	-
Total	4159.78	1.96	-	-	4161.74

NOTE 21: OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Expenses Payable	290.94	134.02
Total	290.94	134.02

NOTE 22: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advances from customers and others	135.03	132.64
Hedge Instrument	-	1.17
Statutory Remittances	79.88	42.74
Others (From related Party)	3.12	0.00
Total	218.03	176.55

NOTE 23: PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity	15.90	13.69
Provision for Leave Encashment	10.84	-
Total	26.73	13.69

NOTE 24: CURRENT TAX LIABILITY (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Tax paid (Net of provision)	(9.46)	72.44
Total	(9.46)	72.44

NOTE 25: REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of products (net of discount)		
a) Domestic Sale	1,03,423.05	1,08,406.59
b) Export Sale	3,284.17	2,560.12
Job Work charges	516.87	327.40
Other Operating Revenues		
Export incentive	47.39	17.79
Total	107,271.47	111,311.90

NOTE 26: OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest from FDR	157.09	117.16
Interest for delayed payment made by customers	4.63	0.00
Interest from electricity security	1.97	1.77
Interest on Loan Given	9.77	0.00
Interest on Income Tax Refund	0.00	2.41
Interest on Security Deposit (Kumar Bangur)	1.65	0.00
Foreign Exchange Fluctuation (Net)	(11.37)	1.22
Profit on sale of Property,plant and equipment	0.08	0.38
Miscellaneous Income	2.51	2.97
Total	166.33	125.92

NOTE 27: COST OF RAW MATERIAL CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventory of raw material at the beginning of the period	2,915.70	6,268.74
Add: Purchases (net of discount received)	100,961.28	103,157.16
Less: Inventory at the period ended	5,098.32	2,915.70
Total	98,778.65	106,510.20

NOTE 28: CHANGES IN INVENTORIES OF FINISHED GOODS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As at the end of the reporting period/year		
Finished Goods	11,761.83	8,898.85
(A)	11,761.83	8,898.85
As at the beginning of the reporting period/year		
Finished Goods	8,898.85	3,673.43
(B)	8,898.85	3,673.43
Total (B-A)	(2,862.98)	(5,225.42)

NOTE 29: EMPLOYEE BENEFIT EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	1,794.93	1,475.83
Contribution to provident and other funds	80.49	75.75
Staff Welfare expenses	185.85	170.04
Gratuity Expense (Refer Note 39)	36.78	30.04
Total	2,098.04	1,751.66

NOTE 30: FINANCE COSTS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest to Bank	1,214.79	834.85
Interest on Unsecured Loans	128.02	92.37
Interest on ROU Liability	9.59	0.00
Other Financial charges	454.84	298.35
Total	1,807.24	1,225.57

Note 31: DEPRECIATION AND AMORTISATION EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation and amortisation (Refer Note No. 3)	778.53	636.51
Depreciation on Lease Liability (Refer Note No. 4)	50.75	0.00
Total	829.29	636.51

Note 32: OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Advertisement & Business Promotion Expenses	222.79	91.67
Consumption of Spares and Stores	2,096.90	1,761.82
Travelling & Conveyance Expenses	87.28	99.93
Loading & unloading expenses	145.73	120.41
Repairs & Maintenance Expense	207.34	102.64
Insurance	15.15	11.82
Legal and Professional charges	49.37	35.83
Power & Fuel	819.76	838.32
Printing and Stationery	8.93	3.14
Rent	18.89	47.79
Rates, Fees & Taxes	90.97	125.28
Testing and Calibration Expenses	6.13	8.43
Vehicle Running and Maintenance Expenses	50.97	29.31
Payment to Auditors*	6.00	0.90
Telephone, Internet & Postage Expenses	6.72	4.40
Freight Outward	125.68	240.58
Import / Export Expenses	311.18	89.73
Corporate Social Responsibility Expenses (Refer Note 41)	21.95	42.50
Wastage & Disposal Expenses	18.17	39.19
Miscellaneous balances Written off	16.53	0.00
Miscellaneous Expenses	51.61	23.25
Total	4,378.05	3,716.94

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Payment to auditors*		
Audit fee	5.00	0.90
Internal Audit Fees	1.00	
Total	6.00	0.90

Note 33: TAX EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income Tax relating to current year (Current Tax)	637.09	723.13
Income Tax relating to previous years	15.69	0.00
Total Current Tax Expense	652.77	723.13
Deferred tax expenses	(15.20)	(7.39)
Total tax expense	637.58	715.74
Reconciliation of effective tax rate*		
Profit before tax	2,409.52	2,822.36
Applicable tax rate	25.17%	25.17%
Computed tax expenses	606.43	710.33
Tax effect of:		
Taxable income	-	1.86
Expenses disallowed	33.65	5.31
Other Allowances	(2.99)	(10.06)
Interest on Income Tax		15.69
Current tax provision (A)	637.09	723.13
Incremental deferred tax liability on account of property, plant and equipment	(11.10)	(4.93)
Incremental deferred tax liability/(asset) on account of financial assets and other items	(4.10)	(2.46)
Change in deferred tax (B)	(15.20)	(7.39)
Last year Income tax expense	15.69	-
Last year Income tax expense (C)	15.69	-
Tax expense recognised in statement of Profit or Loss (A+B+C)	637.58	715.74
Effective tax rate	26.46%	25.36%

*The company has opted for new tax regime under Section 115BAA from FY 2020-21.

Note 34: Other Comprehensive Income

(A) (i) Items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit obligation	5.33	14.39
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Remeasurements of the defined benefit obligation	2.28	1.48

Note 35: PAYABLE TO MICRO, SMALL AND MEDIUM ENTERPRISES

Details dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)

Particulars	As at March 31, 2024	As at March 31, 2023
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/ year		
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period/ year	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting period/ year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The various suppliers/parties have not provided registration under MSMED Act, 2006, hence information as required vide Clause 22 of Chapter V of MSMED Act, 2006 has not been given.

Note 36: EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit after tax attributable to the equity holders (INR in lacs) (A)	1,771.94	2,106.62
Weighted average number of shares considered for calculating basic EPS (B)	18,962,443	14,183,000
Weighted average number of shares considered for calculating diluted EPS (C)	18,962,443	14,183,000
Nominal value of shares (Rupees)	10.00	10.00
Basic earnings per share (Rupees) (D) = (A)/(B)	9.34	14.85
Diluted earnings per share (Rupees) (E) = (A)/(C)	9.34	14.85

Note 37: SEGMENT INFORMATION

The company is engaged in the business of steel ERW Black and Galvanised Pipes & Tubes. Information is reported to and evaluated regularly by the Operational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing performance focuses on the business as whole. The CODM reviews the Company's performance focuses on the analysis of profit before tax at an overall entity level. Accordingly, there is no other separate reportable segment as defined by IND AS 108 "Operating Segments".

Note 38: CONTINGENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
A) Disputed claims/levies in respect of Value Added Tax / Sales Tax:		
- Reversal of input tax credit	-	-
- Regular / Provisional Assessment	-	404.55
<i>(The dispute is regarding rate of tax on GI and ERW Pipes and Tubes and enhancement of turnover and taxable turnover on account of allegation of sales suppression for the AY 2016-17 and April 2016 to June 2016 however, the case was finalized in the favor of the assessee on 31.07.2023 by MVAT Appellate Authority)</i>		
B) Bank Guarantee issued to :		
- Maharashtra State Electricity Distribution	85.85	-
- The Executive Engineer Raigad	0.65	-
- Maharashtra Pollution Control Board	14.50	-
Total	101.00	404.55

Note 39: EMPLOYEE BENEFIT OBLIGATIONS

Particulars	As at March 31, 2024		
	Current	Non Current	Total
Gratuity			
Present value of defined benefit obligation	15.90	109.66	125.56
Total employee benefit obligations	15.90	109.66	125.56
Particulars	As at March 31, 2023		
	Current	Non Current	Total
Gratuity			
Present value of defined benefit obligation	13.69	92.02	105.71
Total employee benefit obligations	13.69	92.02	105.71

(a) Defined Benefit Plans

Gratuity

The Company operates a defined benefit gratuity plan for its employees. The gratuity scheme provides for lump sum payment to vested employees at retirement/death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of 6 months subject to a limit of INR 20.00 lakhs (March 31, 2024: INR 20.00 lakhs and March 31, 2023: INR 20.00 lakhs)

i) Movement of defined benefit obligation :

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Opening defined benefit obligation (A)	105.71	90.06
Service cost	29.00	23.51
Past service cost	-	-
Interest cost	7.78	6.54
Benefits Paid	(11.59)	-
Expected return on plan assets		
Total amount recognised in profit or loss (B)	130.89	120.10
Remeasurements		
Effect of change in financial assumptions	1.37	(1.11)
Effect of change in demographic assumptions	-	-
Effect of experience adjustments	(6.70)	(13.29)
Total amount recognised in other comprehensive income (C)	(5.33)	(14.39)
Closing defined benefit obligation (A+B+C)	125.56	105.71

ii) Net benefit asset/ (liability) recognised in the balance sheet

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Present value of defined benefit obligation at the end of the period	125.56	105.71
Less: Fair value of plan assets at the end of the period	-	-
Net benefit liability/(asset)	125.56	105.71

iii) Principal assumptions used in determining gratuity obligations for the Company's plan are shown below:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Discount Rate	7.25%	7.36%
Salary Growth Rate	5.00%	5.00%
Expected Rate of Return on Plan Assets	N.A	N.A
Normal Age of Retirement	58 years	58 years
Withdrawal Rate	10.00%	10.00%
Mortality Table	100% IALM (2012-14) Ultimate	100% IALM (2012-14) Ultimate

Notes :

- The discount rate is based on the prevailing market yield of Indian Government Securities as at Balance Sheet date for the estimated term of obligation.
- The estimate of future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

iv) Sensitivity Analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Impact of Discount rate on defined benefit obligation		
Increased by 0.50%	(6.45)	(5.54)
Decreased by 0.50%	7.07	6.09
(b) Impact of Salary Escalation rate on defined benefit obligation		
Increased by 0.50%	7.19	6.20
Decreased by 0.50%	(6.62)	(5.69)
(c) Impact of Withdrawal rate on defined benefit obligation		
Increased by 1.00%	-	-
Decreased by 1.00%	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method i.e. projected unit credit method has been applied as that used for calculating the defined benefit liability recognised in the balance sheet.

v) Risk Exposure

The defined benefit obligations have the undermentioned risk exposures :

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Investment risk : The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

vi) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 33.17 years (March 31, 2023 : 33.14 years).

The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Less than a year	15.90	13.69
Between 1 - 2 years	3.99	4.45
Between 2 - 3 years	4.36	3.44
Between 3 - 4 years	7.51	3.82
Between 4 - 5 years	3.99	5.81
Beyond 5 years	89.81	74.50

B) Defined Contribution Plan

The Company has a defined contribution plan in respect of provident fund. Contributions are made to provident fund and employees state insurance in India for employees at the rate as prescribed in the regulations.The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company has recognized the following amounts towards defined contribution plan in the Statement of Profit and Loss –

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Employer’s Contribution to Provident Fund and other funds	80.49	75.75

Included in ‘Contribution to provident and other funds’ under Employee Benefits Expense (Refer SCHEDULE 29)

Note 40: RELATED PARTY TRANSACTIONS

A. List of the related parties and nature of relationship with whom transactions have taken place during the respective year

Description of Relationship	Name of The Party
(a) Key Managerial Personnel (KMP)	Mr. Vijay Kaushik (Director)
	Ms. Vijay Laxmi Kaushik (Director)
	Ms. Pratima Sandhir (Director)
	Mr. Vibhor Kaushik (Director)
	Mr. Pankaj Kumar (Director)
	Mr. Anil Jain (Chief Financial Officer) ^
	Mr. Nikunj Haresh Gatecha (Company Secretary) **
	Mr. Lovkesh Papneja (Company Secretary) ***
	Mr. Abhiram Tayal (Independent Director)
	Mr. Ashwani Kumar Garg (Independent Director)
	Mr. Sanjeev Gupta (Independent Director)
	Mr. Shiv Kumar Singhal (Independent Director)
	Mr. Vikram Grover (Independent Director)
	Ms. Parul Jain (Spouse of CFO)
	Ms. Priyanka Devi (Spouse of Director)
(b) Company/ Firm/ HUF which are directly controlled by directors	R N Securities Private Limited
	Orbit Tubes
	Sudha Apparels Limited
	Shagun Steels
	Stable Trading Co Limited
	Jindal Drilling and Industries limited
	Vibhor Kaushik HUF
	Vijay Kaushik HUF

^ Appointed on Oct 1, 2022

** From July 13, 2021 to June 26, 2023

*** Appointed on June 27, 2023

B) Related Party Transactions and Balances

S.No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
I.	Transactions during the year		
(i)	Purchases and Job Work		
	Orbit Tubes	-	870.40
(ii)	Loan Taken		
	Mr. Vijay Kaushik	-	828.47
	Mr. Vibhor Kaushik	-	172.15
	Ms. Vijay Laxmi Kaushik	-	55.00
	Ms. Pratima Sandhir	-	67.34
	Vijay Kaushik HUF	-	3.70
(iii)	Repayment of Loan taken		
	Mr. Vijay Kaushik	294.54	557.89
	Mr. Vibhor Kaushik	15.17	182.49
	Ms. Vijay Laxmi Kaushik	0.17	111.14
	Ms. Pratima Sandhir	9.34	80.00
	Vijay Kaushik HUF	-	69.70
	Vibhor Kaushik HUF	63.75	-
(iv)	Salary paid and payable		
	Mr. Vijay Kaushik	177.75	162.00
	Mr. Vibhor Kaushik	207.75	192.00
	Ms. Vijay Laxmi Kaushik	146.00	132.00
	Ms. Pratima Sandhir	176.00	162.00
	Mr. Pankaj Kumar	6.26	6.84
	Mr. Anil Jain	11.05	6.95
	Mr. Nikunj Haresh Gatecha	0.46	1.80
	Mr. Lovkesh Papneja	4.34	-
	Ms. Parul Jain	5.34	-
	Ms. Priyanka Devi	1.51	-
(v)	Advance taken for Car		
	Ms. Pratima Sandhir	1.00	0.00
(vi)	Rent		
	Shagun Steels	2.97	-
(vii)	Electricity Paid		
	Orbit Tubes	6.19	-
(viii)	Fixed Asset Purchased		
	Orbit Tubes	30.00	-
(ix)	Sitting Fees to Independent Director		
	Mr. Abhiram Tayal	0.75	-
	Mr. Ashwani Kumar Garg	1.00	-
	Mr. Sanjeev Gupta	1.00	-
	Mr. Shiv Kumar Singhal	0.90	-
	Mr. Vikram Grover	0.90	-
(x)	Repayment of Advance taken for Car		
	Ms. Pratima Sandhir	1.00	0.00
(xi)	Expenses Paid by Directors on behalf of the company		
	Mr. Vijay Kaushik	0.90	0.00
	Mr. Vibhor Kaushik	2.22	0.00

S.No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
II.	Outstanding Payables		
A	Loan from Related parties		
	Mr. Vijay Kaushik	-	294.54
	Mr. Vibhor Kaushik	-	15.17
	Vibhor Kaushik HUF	-	63.75
	Ms. Vijay Laxmi Kaushik	-	0.17
	Ms. Pratima Sandhir	-	9.34
B	Salaries Payable		
	Mr. Vijay Kaushik	10.17	-
	Mr. Vibhor Kaushik	7.22	-
	Ms. Vijay Laxmi Kaushik	8.52	-
	Ms. Pratima Sandhir	10.15	-
	Mr. Pankaj Kumar	0.50	-
	Mr. Anil Jain	0.49	-
	Mr. Lovkesh Papneja	0.50	-
	Ms. Parul Jain	0.55	-
	Ms. Priyanka Devi	0.19	-
C	Expenses Payable (Incurred by directors on behalf of the company)		
	Mr. Vijay Kaushik	0.90	0.00
	Mr. Vibhor Kaushik	2.22	0.00
D	Expenses Payable		
	Shagun Steels	2.02	-

Note 41: CORPORATE SOCIAL RESPONSIBILITY (CSR)

Information in respect of CSR Expenditure required to be spent by the company

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Amount required to be spent by the company during the reporting year	31.83	19.95
Amount of expenditure incurred	21.95	42.50
Excess spent carried forward	30.09	7.54
Shortfall at the end of the period/year	NIL	NIL
Total of previous period/year shortfall	NIL	NIL
Reason for shortfall	NIL	NIL
Excess to be carried forward next year	20.21	30.09
Nature of CSR Activities	Cow/ Animal health care and welfare etc.	Cow/ Animal health care and welfare etc.

Note 42: FINANCIAL INSTRUMENTS

Fair value of financial assets and liabilities

The fair value of the financial assets and liabilities are included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements are set out below.

The carrying value and fair value of financial instruments by categories as of March 31, 2024 were as follows:

(INR in lacs)				
Particulars	Amortised cost	Fair value through P&L	Total Carrying value	Total Fair value
Assets:				
Non Current				
Other financial assets	182.04	-	182.04	182.04
Current				
Trade receivables	5,093.81	-	5,093.81	5,093.81
Cash and cash equivalents	2,407.47	-	2,407.47	2,407.47
Other financial assets	1,721.77	-	1,721.77	1,721.77
Liabilities:				
Non Current				
Borrowings	1,978.03	-	1,978.03	1,978.03
ROU Liability	37.57	-	37.57	37.57
Current				
Borrowings	12,125.63	-	12,125.63	12,125.63
Trade payables	5,612.75	-	5,612.75	5,612.75
Other financial liabilities	342.24	-	342.24	342.24

The carrying value and fair value of financial instruments by categories as of March 31, 2023 were as follows:

(INR in lacs)				
Particulars	Amortised cost	Fair value through P&L	Total Carrying value	Total Fair value
Assets:				
Non Current				
Other financial assets	71.15	-	71.15	71.15
Current				
Trade receivables	5,444.81	-	5,444.81	5,444.81
Cash and cash equivalents	2,555.24	-	2,555.24	2,555.24
Other financial assets	891.07	-	891.07	891.07
Liabilities:				
Non Current				
Borrowings	1,351.34	-	1,351.34	1,351.34
Current				
Borrowings	13,886.42	-	13,886.42	13,886.42
Trade payables	4,161.74	-	4,161.74	4,161.74
Other financial liabilities	134.02	-	134.02	134.02

The following methods and assumptions were used to estimate the fair values:

1. The carrying amount of Trade receivables, Trade payables and Cash & cash equivalent are considered to be their fair values due to their short term nature.
2. The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.
3. The Investment in Mutual Fund and Non Convertible Debentures is measured at NAV, being the fair value as on reporting date.
4. Lease Liabilities are measured at Amortised Cost, the carrying amount approximate to Fair Value, as lease liabilities are recognized based on the present value of the remianing lease payments.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets and liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable either directly or indirectly

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Note 43:

A) FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise loans, borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings.

The Company has no direct exposure to foreign currency risk.

-Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company's policy is to borrow funds at fixed and floating rate of interest.

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including investments, deposits with banks and financial institutions and other financial instruments.

(i) Trade receivables

Customer credit risk is managed by the Company's established policies, procedures and controls relating to customer credit risk management. Credit quality of a customer is assessed based on an individual credit limits and are defined in accordance with management's assessment of the customer. Outstanding

customer receivables are regularly monitored. The concentration of credit risk is limited due to the fact that the customer base is large. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The Company uses ageing buckets and provision matrix for the purpose of computation of expected credit loss. The provision rates are based on past trend of recoverability. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

(ii) Financial instruments and bank deposits

Credit risk from balances with banks is managed by the management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties based on limits defined by the management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents and sufficient committed fund facilities, will provide liquidity. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The carrying amounts are assumed to be reasonable approximation of fair value.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Next 12 months	1 to 5 years	> 5 years	Total
March 31, 2024				
Borrowings	12,125.63	1,940.46	-	14,066.09
Trade payables	5,612.75	-	-	5,612.75
Other financial liabilities	290.94	-	-	290.94
ROU Liability	51.30	37.57	-	88.88
March 31, 2023				
Borrowings	13,886.42	1,351.34	-	15,237.75
Trade payables	4,161.74	-	-	4,161.74
Other financial liabilities	134.02	-	-	134.02
ROU Liability	-	-	-	-

B) CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 0% and 25%. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	As at March 31, 2024	As at March 31, 2023
Borrowings [including current borrowings]	14,066.09	15,237.75
Less: Cash and cash equivalents	959.12	943.38
Net debt (A)	13,106.96	14,294.37
Equity (refer Note 14 and 15)	17,778.34	9,319.79
Total capital (B)	17,778.34	9,319.79
Capital and net debt (C = A+B)	30,885.30	23,614.16
Gearing ratio (D = A/C)	0.42	0.61

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

Note 44: RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Particulars	Opening Balance as at April 1, 2023	Net Cash Flow	Closing Balance as at March 31, 2024
Non-Current Borrowings	1,351.34	589.12	1,940.46
Current Borrowings	13,886.42	(1,760.78)	12,125.63
Total liabilities from financing activities	15,237.75	(1,171.67)	14,066.09

Particulars	Opening Balance as at April 1, 2023	Net Cash Flow	Closing Balance as at March 31, 2023
Non-Current Borrowings	-	1,351.34	1,351.34
Current Borrowings	11,280.78	2,605.63	13,886.42
Total liabilities from financing activities	11,280.78	3,956.97	15,237.75

(ii) Reconciliation of Vehicle and Term Loans:

Particulars	Amount
Total Borrowings as on 31.03. 2022	1,707.96
Loan Taken	134.90
Repayment	298.66
Interest Accrued but not due	11.17
Closing balance as on 31.03. 2023	1,555.36
Loan Taken	1,278.10
Repayment	309.52
Interest Accrued but not due	0.63
Closing balance as on 31.03. 2024	2,524.56

Note 45: FINANCIAL RATIOS

Particulars	Methodology	As at March 31, 2024	As at March 31, 2023
1	Current Ratio		
	A. Current Assets	28,231.89	23,145.28
	B. Current Liabilities	18,315.93	18,444.86
	Current Ratio = Current Assets/Current Liabilities	1.54	1.25
	% change from previous year	22.84%	
2	Debt-Equity Ratio		
	Debt-Equity Ratio = Net Debt/Net Worth	0.79	1.63
	% change from previous year	(51.61)%	
	Debt Equity ratio declined from 1.63 to 0.79 because of increase in share capital and repayment of working capital loans.		
3	Debt Service Coverage Ratio		
	A. Earnings available for Debt services :		
	(i) Profit before taxes	2,409.52	2,822.36
	(ii) Interest Expense	1,342.81	927.22
	(iii) Interest on Lease Liability	9.59	-
	(iv) Depreciation and Amortization	829.29	636.51
	Total Earnings available for Debt services	4591.21	4386.09

Notes to Standalone Financial Statements
For the year ended March 31, 2024

Particulars	Methodology	As at March 31, 2024	As at March 31, 2023
B.	Debt, Lease and Interest Payments:		
(i)	Debt repayments of Term loans and vehicle loans	309.52	298.66
(ii)	Finance costs paid	1669.62	1,133.20
(iii)	Lease Payments	220.21	-
	Total Debt, Lease and Interest Payments	2199.36	1431.86
	Debt Service Coverage Ratio = Earnings available for Debt services/Debt, Lease and Interest Payments	2.09	3.06
	% change from previous year	(31.85%)	
	Lower profitability on account of declined sales value and increased finance costs lead to declining Debt Service Coverage ratio		
4	Return on Equity Ratio		
A.	Profit after tax	1,771.94	2,106.62
B.	Average Net worth	13,549.06	8,258.54
	Return on Equity Ratio= Profit after tax/Average Net worth	0.13	0.26
	% change from previous year	(48.73%)	
	Return on Equity ratio declined from 0.26 to 0.13 mainly due to increase in share capital.		
5	Inventory turnover ratio		
A.	Cost of Goods sold :		
(i)	Cost of Raw material consumed	98,778.65	106,510.20
(ii)	Changes in inventories of finished goods	(2,862.98)	(5,225.42)
(iii)	Consumption of Spares and Stores	2,096.90	1,761.82
	Total Cost of Goods sold	98,012.57	103,046.60
	B. Average Inventory :		
(i)	Opening Inventory	12,029.86	10,121.11
(ii)	Closing Inventory	17,088.29	12,029.86
	Average Inventory	14,559.07	11,075.48
	Inventory turnover ratio= Cost of Goods sold/Average Inventory	6.73	9.30
	% change from previous year	(27.64%)	
	Since the company has recorded less sales this year and therefore corresponding less cost of goods sold, resulting in Inventory Turnover ratio decline.		
6	Trade receivables turnover ratio		
A.	Net Sales	107,271.47	111,311.90
B.	Average Trade receivable :		
(i)	Opening Trade receivable	5,444.81	4,481.12
(ii)	Closing Trade receivable	5,093.81	5,444.81
	Average Trade Receivable	5,269.31	4,962.97
	Trade receivables turnover ratio= Net sales/Average Trade receivable	20.36	22.43
	% change from previous year	(9.23%)	
7	Trade Payables turnover ratio		
A.	Total Consumption	98,778.65	106,510.20
B.	Average Trade Payable :		
(i)	Opening Trade Payable	4,161.74	4,264.64
(ii)	Closing Trade Payable	5,612.75	4,161.74
	Average Trade Payable	4,887.25	4,213.19
	Trade Payables turnover ratio= Total Consumption /Trade Payable	20.21	25.28
	% change from previous year	(20.05%)	27.04%

Particulars	Methodology	As at March 31, 2024	As at March 31, 2023
8	Net capital turnover ratio		
	A. Net sales	107,271.47	111,311.90
	B. Net worth	17,778.34	9,319.79
	Net capital turnover ratio= Net sales/Net worth	6.03	11.94
	% change from previous year	(49.48%)	
	Capital turnover declined due to the decline in sales		
9	Net Profit Ratio		
	A. Profit after tax	1,771.94	2,106.62
	B. Net Sales	107,271.47	111,311.90
	Net Profit Ratio= Profit after tax/Net sales	0.017	0.019
	% change from previous year	(12.72%)	
10	Return on capital employed		
	A. EBIT :		
(i)	Profit before taxes	2,409.52	2,822.36
(ii)	Interest Expense	1,342.81	927.22
(iii)	Interest on Lease Liability	9.59	-
	Total EBIT	3,761.92	3,749.58
	B. Average Capital Employed :		
(i)	Opening Non - Current Borrowings	1,351.34	1,424.35
(ii)	Opening Current Borrowings	13,886.42	11,280.78
(iii)	Opening Total Equity	9,319.79	7,197.29
(iv)	Closing Non - Current Borrowings	1,940.46	1,351.34
(v)	Closing Current Borrowings	12,125.63	13,886.42
(vi)	Closing Total Equity	17,778.34	9,319.79
	Average Capital Employed	28,200.98	22,229.98
	Return on capital employed= EBIT/Average capital employed	0.13	0.17
	% change from previous year	(20.91%)	
11	Return on investment		
	Return on investment= (Interest income, net gain on sale of investments and net fair value gain over average investments)/Average investment*100	Not applicable	Not applicable
	Quoted		
	% change from previous year		
	Reason for change more than 25%		
	Unquoted		
	% change from previous year		
	Reason for change more than 25%		

Note 46: ADDITIONAL REGULATORY INFORMATION

- The title deeds of the Immovable Properties are held in the name of the Company.
- The company does not have any Investment Property; hence disclosure not applicable.
- The Company has not revalued its Property, Plant and Equipment, hence the disclosure regarding valuation not applicable.
- The Company has not revalued its Intangible Assets, hence the disclosure regarding valuation not applicable.
- No loans or advances has been granted to the promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013), hence disclosure not applicable.
- The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 and no proceeding has been initiated or is pending against the Company for holding any benami property.

- (vii) Borrowings from banks or financial institutions on the basis of security of current assets:
- (a) the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.
- (viii) The company has not been declared as a wilful defaulter by any bank or financial Institution or other lender.
- (ix) The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (x) Neither charges nor satisfaction is yet to be registered with ROC beyond the statutory period.
- (xi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (xii) The company has not applied for any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
- (xiii) Utilization of Borrowed Funds and Share Premium:
- (a) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).
- (b) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party).
- (xv) The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961.
- (xvi) The company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

Note 47: STATEMENT OF DIVIDEND

Particulars	As at March 31, 2024	As at March 31, 2023
Share capital		
Equity Share Capital	1,896.24	1,418.30
Dividend on equity shares	-	-
Dividend in %	NIL	NIL
Interim Dividend	NIL	NIL
Final Dividend	NIL	NIL

VIBHOR STEEL TUBES LIMITED
REGISTERED OFFICE: PLOT NO. 2, INDUSTRIAL DEVELOPMENT COLONY,
Delhi Road, Hisar (Haryana) - 125005 India, Phone No.: 01662-237359,
222710, Email id: contact@vstlindia.com, Website: www.vstlindia.com

CIN: U27109HR2003PLC035091

Form No. MGT-11
PROXY FORM

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

Name of the member(s): _____
Registered address: _____
E-mail Id: _____
Folio No/ Client Id: _____
DP ID: _____

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

Name: _____
Address: _____
E-mail Id: _____
Signature _____

Or failing him/her

Name: _____
Address: _____
E-mail Id: _____
Signature _____

Or failing him/her

Name: _____
Address: _____
E-mail Id: _____
Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual general meeting of the Company, to be held on Thursday, 26th day of September, 2024 at 02:00 P.M. at Banquet Hall, Suncity Mall, Delhi Rd, Industrial Area, Hisar, Haryana-125001 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions to be passed in the meeting	For	Against
1.	Ordinary Resolution - Audited Financial Statements of the Company for the financial year ended 31 st March, 2024 together with Reports of the Board of Directors and Auditors thereon.		
2.	Ordinary Resolution - Appointment of Director in place of Mr. Vijay Kaushik (DIN: 02249672) who retires by rotation and being eligible, offers himself for re-appointment.		
3.	Ordinary Resolution - Appointment of Director in place of Ms. Vijay Laxmi Kaushik (DIN: 02246977) who retires by rotation and being eligible offers herself for re-appointment.		
4.	Special Resolution - Ratification of Remuneration to Cost Auditor for the financial year 2024-25.		
5.	Special Resolution - Continuation of Mr. Vijay Kaushik (DIN: 02249672) as Chairman and Executive Director of The Company on Attaining the Age of Seventy Years.		

Signed this _____ day of _____ 2024

Signature of Proxy holder(s)

Signature of shareholder

Affix
Revenue
Stamp
Re. 1/-

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

VIBHOR STEEL TUBES LIMITED

REGISTERED OFFICE: PLOT NO. 2, INDUSTRIAL DEVELOPMENT COLONY,
Delhi Road, Hisar (Haryana) - 125005 India, Phone No.: 01662-237359, 222710,
Email id: contact@vstlindia.com, Website: www.vstlindia.com

CIN: U27109HR2003PLC035091

ATTENDANCE SLIP

(Please complete this slip and hand it over at the entrance of the Meeting Hall)

I/We, hereby record my/our presence at the 21st Annual General Meeting of the Company to be held on Thursday, September 26, 2024 at 02:00 P.M. at Banquet Hall, Suncity Mall, Delhi Rd, Industrial Area, Hisar, Haryana-125001.

Name of the shareholder/proxy* _____

Address _____

No. of shares held _____ Folio No. _____

*(Strike out whichever is not applicable)

(Signature of the Shareholder/Proxy)

Notes



VIBHOR STEEL TUBES LIMITED

Industrial Development Colony, Plot No. 2, Delhi Road,
Industrial Area, Hisar, Haryana 125005