



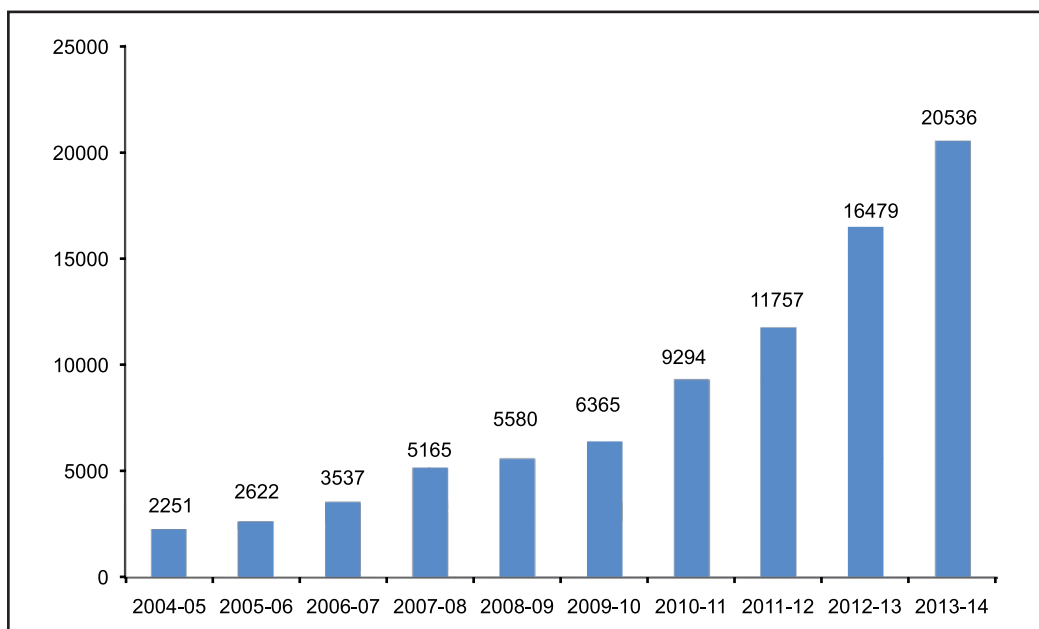
# STEELCAST LIMITED

43rd Annual Report

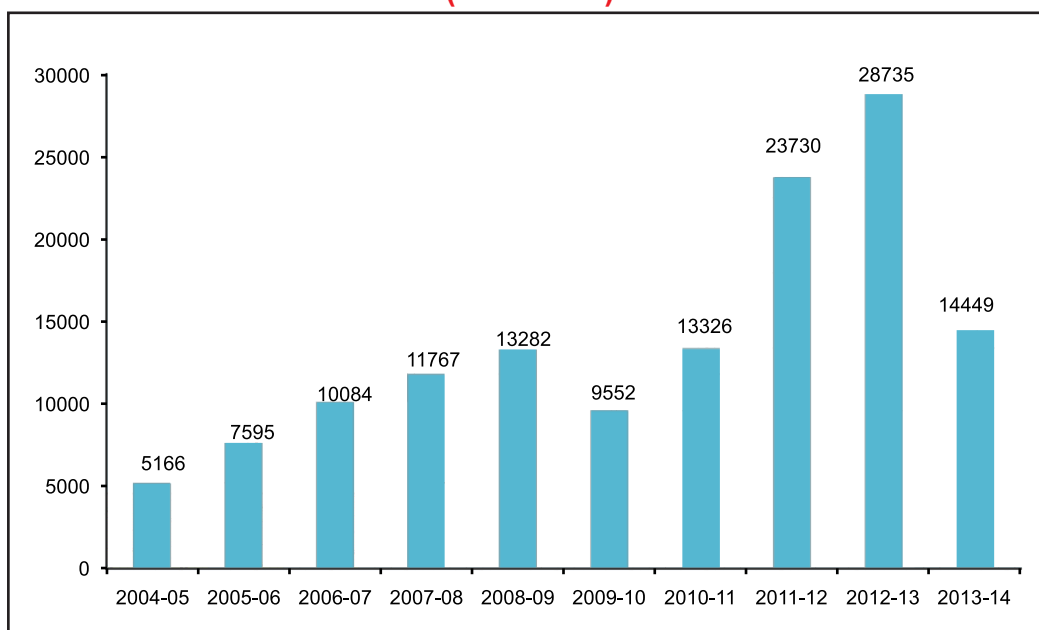
2013-14



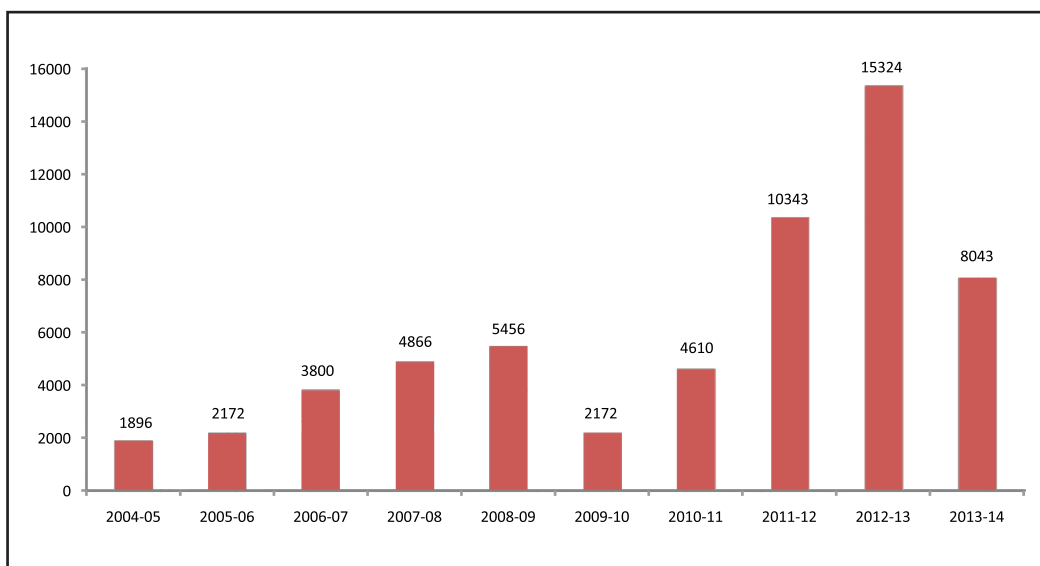
### Gross Block of Fixed Assets ( ₹ in Lacs)



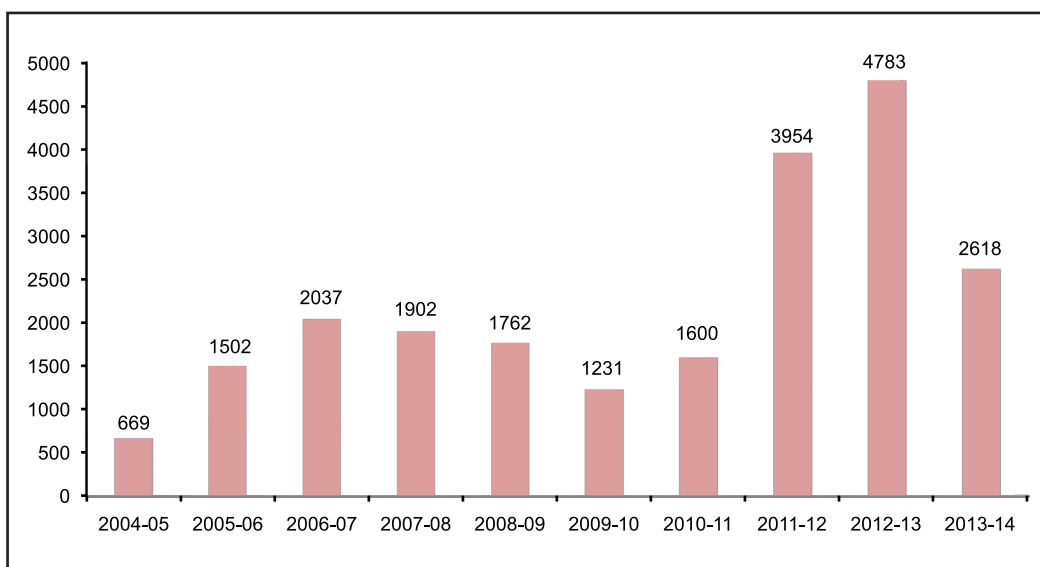
### Sales and Operational Income ( ₹ in Lacs)



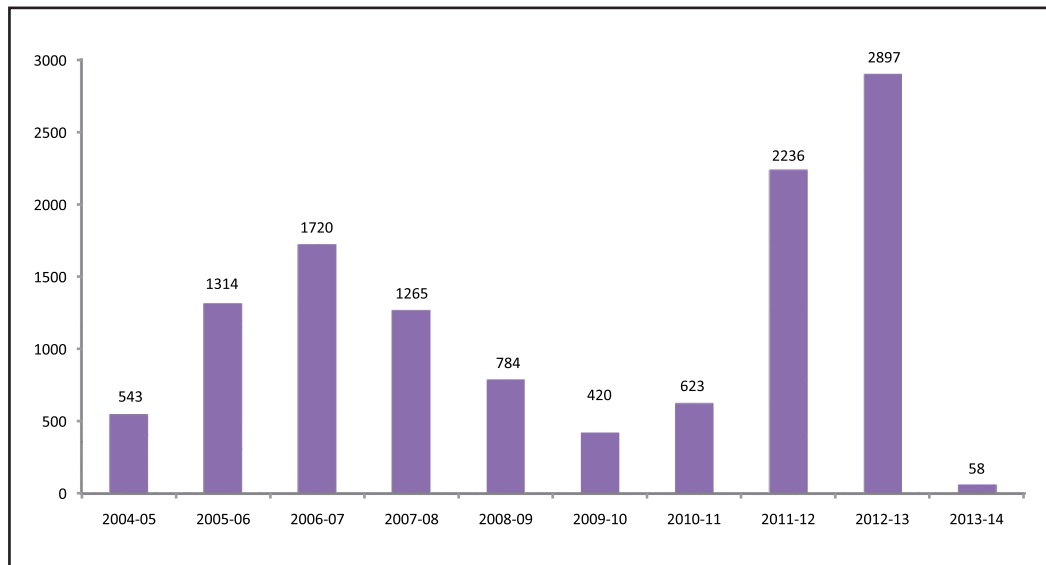
**Export Earnings (FOB)**  
**( ₹ in Lacs)**



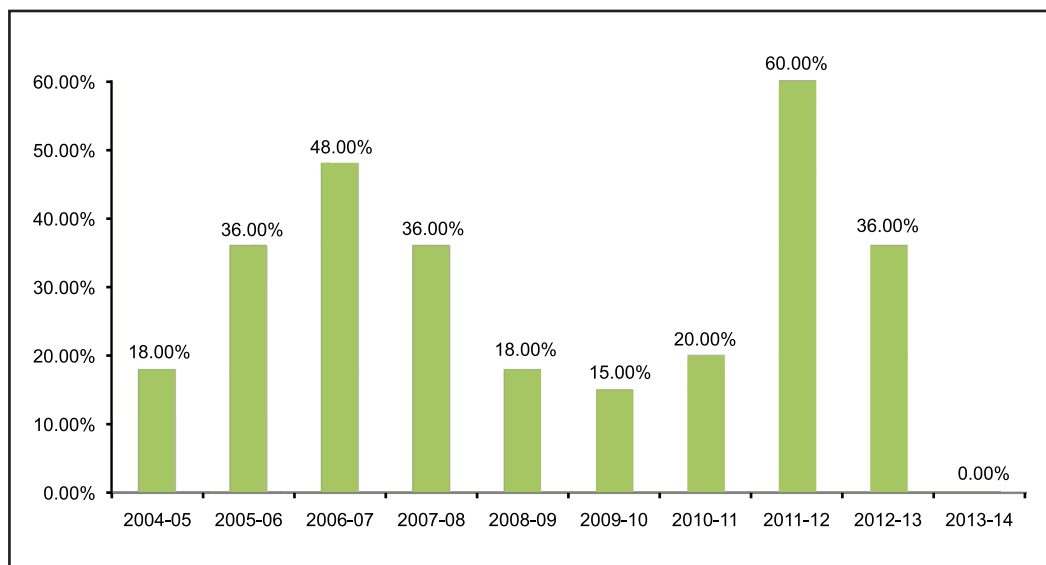
**Operating Profit (EBIDTA)**  
**( ₹ in Lacs)**



### Profit Before Tax (PBT) (₹ in Lacs)



### Dividend on Equity Share



**STEELCAST LIMITED****BOARD OF  
DIRECTORS**

Shri Chetan M Tamboli                      Chairman & Managing Director  
Shri T Kumar                                      Whole Time Director  
Shri Rajendra V Gandhi  
Shri Rameshchandra V Shah  
Shri Apurva R Shah  
Shri Rajesh R Gandhi  
Smt. Manali C Tamboli  
Shri Vaughn W Makary  
Shri Vinayak B Buch (Retired w.e.f. 1st February, 2014)

**CHAIRMAN EMERITUS**

Shri Manmohan F Tamboli

**BANKERS**

Bank of India  
Standard Chartered Bank  
HDFC Bank Ltd.

**AUDITORS**

Sanghavi & Company  
Chartered Accountants  
Bhavnagar

**REGISTERED OFFICE  
& WORKS**

Ruvapari Road  
Bhavnagar, Gujarat-364005, India  
Phone : (91) (278) 251 9062  
Fax : (91) (278) 242 0589/251 9831  
(91) (278) 251 3342  
E-mail : info@steelcast.net  
Website: www.steelcast.net

**COMPANY ID NO**

L27310GJ1972PLC002033

**ISIN**

INE124E01020

**SCRIP CODE AT BSE**

513517

**CONTENTS**

1 Notice.....	3
2 Directors' Report.....	12
3 Corporate Governance Report.....	21
4 Management Discussion and Analysis Report.....	32
5 Independent Auditors' Report.....	34
6 Balance Sheet.....	38
7 Profit & Loss Account.....	39
8 Cash Flow Statement.....	40
9 Notes on Accounts.....	41

# SIGNIFICANT FINANCIAL INDICATORS FOR LAST TEN YEARS



(All Values in ₹ Lacs, Except Sr. No. 8 to 12)

Sr. No.	Aspect	As at the end of 31 <sup>st</sup> March									
		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1	Total Income	5,182.25	7,621.28	10,103.28	11,786.95	13,283.27	9,566.27	13,379.89	23,797.66	28,735.05	14,448.80
2	Operating Profit	668.96	1,501.83	2,037.26	1,901.80	1,759.09	1,231.18	1,599.73	3,954.04	4,782.92	2,618.22
3	Profit After Tax	332.81	874.46	1,117.94	804.88	511.16	278.44	432.59	1,411.01	1,965.42	42.57
4	Net Worth	1,117.05	1,840.19	2,769.49	3,415.46	3,723.00	4,086.49	4,520.13	5,961.96	7,704.14	7,907.10
5	Total Borrowed Funds	1,323.37	1,930.57	3,050.22	4,776.05	4,344.77	3,975.82	6,497.48	8,485.44	11,631.81	13,721.91
6	Fixed Assets (Net)	835.66	1,127.01	2,181.16	3,397.67	3,749.52	3,707.44	6,261.42	7,922.27	12,148.19	14,913.57
7	Net Current Assets	1,715.90	2,729.29	3,780.76	5,039.05	4,698.72	4,739.34	4,425.42	6,466.61	7,322.19	5,650.32
8	Book Value Per Share (₹) (Adjusted to Sub Division & Bonus Issue)	8	13	19	24	26	27	29	36	44	43
9	Earning Per Share (Basic) (Adjusted to Sub Division & Bonus Issue)	2.3	6.0	7.9	5.5	2.8	1.9	2.8	9.3	11.8	0.23
10	Dividend (%)	18.00	36.00	48.00	36.00	18.00	15.00	20.00	60.00	36.00	0.00
11	Debt Equity Ratio	1.18	1.05	1.10	1.40	1.17	0.97	1.44	1.42	1.51	1.74
12	Operating Profit to Sale (%)	12.91	19.71	20.16	16.16	13.24	12.87	11.96	16.62	16.64	18.12

## STEELCAST LIMITED

Registered Office : Ruvapari Road, Bhavnagar, Gujarat 364 005.  
Phone 0278-2519062 www.steelcast.net CIN: L27310GJ1972PLC002033

### Notice of 43<sup>rd</sup> Annual General Meeting

NOTICE is hereby given that the FORTY THIRD ANNUAL GENERAL MEETING of the Members of STEELCAST LIMITED will be held at 1600 Hrs. on Wednesday, the 30th July, 2014, at Nilambag Palace Hotel, Bhavnagar 364 001, Gujarat, to transact the following business :

#### Ordinary Business :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended 31st March, 2014 and the Report of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Vaughn W Makary, (holding DIN 03564740), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Auditors and fix their remuneration and in this regard pass, with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (corresponding to Section 224 and other applicable provisions, if any, of the Companies Act, 1956), M/s. Sanghavi & Co., (Firm Registration No. 109099W), Chartered Accountants, after receiving a recommendation in this regard from the Audit Committee, be and are hereby reappointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting of the financial year 2016-17, subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors, plus applicable service tax and re-imbursement of traveling and out of pocket expenses incurred by them for the purpose of audit."

#### Special Business :

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory amendments or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, Mr. Rameshchandra V Shah (holding DIN 00062983), Director of the Company, whose period of office was liable to determination through retirement by rotation, and who, pursuant to the provisions of the Companies Act, 2013, being an Independent Director, is no longer liable to retire by rotation and who in accordance with the said Act, is eligible to be reappointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a further continuous period of five (5) years effective from 1st October, 2014, not subject to retirement by rotation."

"RESOLVED FURTHER THAT in light of the foregoing resolution, his former appointment as an Independent Director, which was subject to retirement by rotation, shall be deemed to come to an end at the close 30th September, 2014."

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory amendments or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, Mr. Apurva R Shah (holding DIN 00004781), Director of the Company, whose period of office was liable to determination through retirement by rotation, and who, pursuant to the provisions of the Companies Act, 2013, being an Independent Director, is no longer liable to retire by rotation and who in accordance with the said Act, is eligible to be reappointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a further continuous period of five (5) years effective from 1st October, 2014, not subject to retirement by rotation.”

“RESOLVED FURTHER THAT in light of the foregoing resolution, his former appointment as an Independent Director, which was subject to retirement by rotation, shall be deemed to come to an end at the close 30th September, 2014.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory amendments or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, Mr. Rajendra V Gandhi (holding DIN 00189197), Director of the Company, whose period of office was liable to determination through retirement by rotation, and who, pursuant to the provisions of the Companies Act, 2013, being an Independent Director, is no longer liable to retire by rotation and who in accordance with the said Act, is eligible to be reappointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a further continuous period of five (5) years effective from 1st October, 2014, not subject to retirement by rotation.”

“RESOLVED FURTHER THAT in light of the foregoing resolution, his former appointment as an Independent Director, which was subject to retirement by rotation, shall be deemed to come to an end at the close 30th September, 2014.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory amendments or re-enactment thereof for the time being in force), read with Schedule IV to the Companies Act, 2013, Mr. Rajesh R Gandhi (holding DIN 00009879), Director of the Company, whose period of office was liable to determination through retirement by rotation, and who, pursuant to the provisions of the Companies Act, 2013, being an Independent Director, is no longer liable to retire by rotation and who in accordance with the said Act, is eligible to be reappointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a further continuous period of five (5) years effective from 1st October, 2014, not subject to retirement by rotation.”

“RESOLVED FURTHER THAT in light of the foregoing resolution, his former appointment as an Independent Director, which was subject to retirement by rotation, shall be deemed to come to an end at the close 30th September, 2014.”



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

"RESOLVED THAT pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, a remuneration of Rs. 75,000 (Rupees Seventy Five Thousand) plus service tax as applicable and reimbursement of actual travel and out-of-pocket expenses, for the financial year commencing on 1st April, 2014 and ending on 31st March, 2015, as fixed by the Audit Committee and approved by the Board of Directors of the Company, to be paid to M/s. S K Rajani & Co., Cost Accountants (FRN.101113), for the conduct of the Cost Audit of the Company's Steel products and Machinery and Mechanical Appliances, be and is hereby ratified and confirmed."

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

"RESOLVED THAT in supersession of the earlier resolution passed at the 41st Annual General Meeting of the members of the Company held on 16th July, 2012, the consent of the Company be and is hereby accorded under the provisions of Section 180(1)(c) of the Companies Act, 2013 (previously Section 293(1)(d) of the Companies Act, 1956), to the Board of Directors to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any point of time shall not exceed the sum of Rs.200 crores (Rupees Two Hundred Crores)."

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force) the consent of the Company be and is hereby accorded to the re-appointment of Mr. Manmohan F Tamboli, for a period of three years, as Mentor & Management Advisor to the Company with effect from September 1, 2014, at a prior existing fees of Rs.18 Lakh (Rupees Eighteen Lakh) per annum plus reimbursement of out-of-pocket expenses incurred by him on behalf of the Company in connection with the advisory services to be rendered by him to the Company."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take, perform and execute such further steps, acts, deeds and things, as may be necessary to give effect to the above resolution."

**Registered Office:**

Ruvapari Road,  
Bhavnagar, 364 005,  
Gujarat, India.  
Phone 0278-2519062  
www.steelcast.net  
CIN: L27310GJ1972PLC002033

By Order of the Board of Directors  
For **STEELCAST LIMITED**

**(Chetan M Tamboli)**  
Chairman & Managing Director

Date: May 30, 2014

**Notes:**

1. **A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a Proxy to attend and vote instead of himself / herself and the Proxy need not be a member of the Company. The proxy form duly completed and signed should be lodge with the Company at its Registered Office at least 48 hours before the time of the meeting.**
2. The relevant Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 (corresponding to 173(2) of the Companies Act, 1956), in respect of the special business under item no. 4 to 10 are annexed hereto.
3. Pursuant to the provisions of Section 91 of the Companies Act, 2013 (corresponding to 154 of the Companies Act, 1956), the Register of Members and Share Transfer Books of the Company will remain closed from June 25, 2014 to June 27, 2014 (both days inclusive) for the purpose of 43rd Annual General Meeting.
4. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered Office of the Company during office hours on all working days between 9.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the Annual General Meeting.
5. In terms of the provisions of Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the Companies Act, 1956), the amount of dividend not encashed or claimed within 7 (seven) years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund established by the Government. Accordingly, the unclaimed/unpaid dividend in respect of financial year 2006-07 is due for transfer to the said Fund in August 2014.
6. Members who have neither received nor encashed their dividend warrant(s) for the financial year 2006-07 up to 2012-13, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
7. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/bank account details to the Secretarial Department of the Company at Ruvapari Road, Bhavnagar 364 005. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
8. Equity shares of the Company are under compulsory demat trading by all investors. Considering the advantage of scripless trading, members are encouraged to consider dematerialization of their shareholding so as to avoid inconvenience in future.
9. Voting through electronic means:
  - I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 43rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Service provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:
- A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company/Depository Participants)
  - (i) Open email and open PDF file viz; “STEELCAST e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder-Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly