



**BOARD OF DIRECTORS**

Mr. Vinod Narain - Chairman  
Mr. D.P. Dhanuka  
Mr. Bhadresh K. Shah  
Mr. Pradip R. Shah  
Mr. Rajendra S. Shah  
Mr. Sanjay Shailesh Majmudar  
Mr. Ashok A. Nichani  
Mr. R.P. Agarwal (ceased to be a Director w.e.f 06.04.2013)

**AUDITORS**

M/s. Dagliya & Co.  
Chartered Accountants  
L Block  
Unity Building Annexe,  
J.C. Road,  
Bangalore - 560 002

**BANKERS**

Canara Bank,  
Bangalore.

State Bank of India  
Bangalore

**REGISTERED OFFICE & FACTORY**

Plot No. 15, Phase - 1  
Peenya Industrial Area,  
Bangalore - 560 058  
Phone : 0-8722803333, 8722802333  
Fax : 080 - 28395638  
E-mail : [info@welcaststeels.com](mailto:info@welcaststeels.com)  
Web : [www.welcaststeels.com](http://www.welcaststeels.com)

**SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.,  
E-2/3, Ansa Industrial Estate  
Sakivihar Road, Saki Naka  
Andheri (E), Mumbai- 400 072.  
Phone : 022 - 28470652, 40430200  
Fax : 022 - 28475207  
E-mail : [info@bigshareonline.com](mailto:info@bigshareonline.com)



Dear Share holder/s,

**Usage of Electronic Payment Modes for making payments to Investors.**

We would like to inform you that SEBI vide its circular No CIR/MRD/DP/10/2013 dated 21st March, 2013 directed that in view of the advancements in the field of electronic payment system viz. NEFT, RTGS etc. for making cash payments to the investors, Companies whose securities are listed in the Stock Exchanges shall use RBI approved electronic mode of payment. The said circular also provides that in cases where either the bank details such as MICR, IFSC code etc. are not available or the electronic payment instructions have failed or have been rejected by the bank, Companies may use the physical payment instrument for making cash payments to the investors and Companies shall mandatorily print the bank account details of the investors on such payment instruments.

In view of the above and to comply with the SEBI directions, in case, if you have not provided the relevant details, we request you to kindly fill the enclosed form and send the same to us on or before 31st July 2013 to update mandate details in the system for future payments to you.

For this purpose we have also enclosed self address and pre-stamped cover.

Thanking you,  
Yours faithfully  
For Welcast Steels Limited.,  
P.Rajendra Kumar  
Compliance officer

Shareholder's authorisation to receive dividends through Electronic Credit Clearing Mechanism.

Unit: Welcast steels Limited.

Registered Folio No	
Name of the first/sole shareholder	
Telephone Number of investor	
Email id of investor	
Bank Name	
Branch Address & Telephone No. of Branch Bank Account Number (As appearing on the Cheque Books)	
Branch Code	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank. (Please attach a blank cancelled cheque, or a photocopy (Xerox copy) of a cheque issued to you by your Bank, for verification of the above particulars)	
Account Type	

I hereby, declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold the Company/RTA responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place:

Date :

Signature of the Holder(s):

Note:

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
2. **KINDLY RETURN THE ABOVE DULY ATTESTED BY YOUR BANKERS TOGETHER WITH THE SELF ATTESTED COPY OF THE PAN CARD**





<b>41st ANNUAL GENERAL MEETING</b>	
Date	10th August, 2013
Day	Saturday
Time	3.00 P.M.
Place	THE LALITH ASHOK, Kumar Krupa High Grounds, Bangalore – 560 001
Book Closure (Dates)	3rd August 2013 To 10th August 2013 (Both days inclusive)



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## NOTICE

NOTICE is hereby given that the Forty First Annual General Meeting of the members of Welcast Steels Limited, will be held at THE LALITH ASHOK, Kumar Krupa High Grounds, Bangalore – 560 001 at 3.00 pm on Saturday, the 10th day of August, 2013 to transact the following business:

### Ordinary Business

- (1) To receive, consider and adopt the Directors' Report, Audited Balance Sheet of the Company and Statement of Profit and Loss for the year ended on 31st March 2013 together with the report of the Auditors thereon.
- (2) To declare dividend.
- (3) To appoint a Director in place of Mr. Vinod Narain, who retires by rotation and who, being eligible, offers himself for reappointment.
- (4) To appoint a Director in place of Mr. D. P. Dhanuka, who retires by rotation and who, being eligible, offers himself for reappointment.
- (5) To appoint a Director in place of Mr. Pradip R. Shah, who retires by rotation and who, being eligible, offers himself for reappointment.
- (6) To appoint auditors in place of retiring auditors and to fix their remuneration.

### Special Business :

- (7) To approve payment of professional fees to non executive independent directors and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution.

"RESOLVED THAT pursuant to the provisions of Clause 49 of the Listing Agreement and all other applicable statutory provisions of any other law for the time being in force and as applicable to the Company, if any, consent of the Members be and is hereby accorded for the payment of Professional Fees / Compensation, if any, payable to Non-Executive Directors including Independent Directors of the Company towards the services to be rendered by them to the Company from time to time and that the Board of Directors of the Company or any Committee of the Board thereof be and is hereby authorized to decide the terms and conditions of such services including Professional fee / compensation payable thereof and also to execute any agreement, if considered necessary for the purpose."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be desirable or expedient to give effect to this resolution."

Place : Bangalore  
Date : 04-05-2013

By order of the Board of Directors  
**VINOD NARAIN**  
Chairman

### NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The register of members and the share transfer books of the company will remain closed from 3rd August 2013 to 10th August, 2013 (both days inclusive).
3. The dividend, when declared will be paid on or before 9th September 2013 to those members whose names appear in the register of members as 10th August, 2013.

#### **Explanatory statement for item No. 7**

[Pursuant to section 173 (2) of the Companies Act 1956]

The Company's Board comprises of expert professionals and Industrialists. With the fast growing business, the Company may be required to avail special services from the Non-Executive Directors / Independent Directors. As per Clause 49 of the Listing Agreement, the consent of the members is necessary for the payment of Professional Fees / Compensation, if any, proposed to be paid to Non-Executive Directors including Independent Directors of the Company towards the services to be rendered by them to the Company from time to time.

Yours Directors recommend the resolution at Item No. 7 for the approval of the Shareholders to be passed by way of Special Resolution. All the Non-Executive Directors including Independent Directors are deemed to be concerned or interested in the proposed resolution to the extent, the Professional Fees / Compensation proposed to be paid.



## NOTICE

Disclosure pursuant to clause 49 of the listing agreement with regard to the Directors seeking re appointment at the forthcoming Annual General Meeting (items no 3,4 and 5 of the agenda)

Name of Director	Mr. Vinod Narain	Mr. D. P. Dhanuka	Mr. Pradip R. Shah
Re appointment / Appointment	26th July 2010	3rd Aug 2011	3rd Aug 2011
Brief resume and expertise in Specific functional areas	<p>Three years Indenture Engg. Apprenticeship Course with Austin Motor Co. Ltd. Birmingham, UK out of which one year was entirely devoted to foundry practice.</p> <p>Also holds Certificate of Mechanical Engineers, Birmingham in Automobile Engg. of UEI, England; Fellow of the Institution of Valuers He is director of the Company and served the Company since its inception as Managing Director upto 1997. He is presently serving as Chairman of the Company.</p>	<p>He is one of the senior most directors of the Company and has been associated in that capacity since the Company's inception. He has been instrumental in promoting the growth decisions in the Board. He has rich corporate management experience and been associated with other corporates as Director.</p>	<p>Chartered Accountant 37 Years of experience in audit, Direct and Indirect Tax advisor, management consultancy services, Corporate advisor/ structuring / planning in various organizations, financial management and corporate</p>
Directorship held in other Public Companies	1	1	-
Membership/Chairmanship of Committees across other public companies	-	-	-
Number of Equity Shares held in the Company	NIL	NIL	NIL

Place : Bangalore  
Date : 04-05-2013

By order of the Board of Directors  
**VINOD NARAIN**  
Chairman





## DIRECTORS' REPORT

Your Directors present the Forty First Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2013.

### FINANCIAL RESULTS

PARTICULARS	₹. In Lacs	
	2012-13	2011 – 12
Gross Income	26525.82	23030.23
Less: Excise duty	2370.47	1300.40
Net Income	24155.35	21729.83
Profit before Interest and Depreciation.	685.72	686.54
Less: Interest	76.67	62.86
Profit before Depreciation	609.05	623.68
Depreciation for the year. (Net of withdrawal from revaluation reserve)	180.39	233.00
Profit after Interest and Depreciation	428.66	390.68
Provision for tax	144.76	124.50
Profit for the year	283.90	266.18
Prior period adjustments	0.99	3.66
<b>Total</b>	<b>282.91</b>	<b>262.52</b>
Balance profit for earlier years	2192.53	1989.67
Profit available for appropriation	2475.44	2252.19
Transfer to General Reserve	50.00	30.00
Dividend on equity shares	31.91	25.52
Tax on proposed dividend	5.18	4.14
Balance to be carried forward a sum of	2388.35	2192.53
Earnings per equity share of ₹.10/- each	44.33	41.00

#### 1. PRODUCTION

During the year under review the Company produced 38,414 tons of Grinding Media as compared to 37,979 tons in the previous year.

#### 2. SALES & PROSPECTS

The Company sold 39,218 tons of Grinding Media during the year under review as against 38,120 tons in the previous year. The sales revenue was higher at Rs.24,155 lacs as against Rs.21,729 lacs in the previous year, recording a jump of about 11%. The sales prospects for the current year are also encouraging.

#### 3. DIVIDEND

Your Directors are pleased to recommend a dividend of 50% (Rs.5.00 per share), as compared to 40% (Rs.4.00 per share) in the previous year.

#### 4. FINANCE

The liquidity position of the Company remained satisfactory. Canara Bank and State Bank of India extended their full co-operation to the Company.

#### 5. SCIENTIFIC RESEARCH

The Global Mining Industry is facing tough competition and is on intensive drive to cut costs. This has thrown a big challenge for the company to develop and supply grinding materials with lowest possible wear rates for grinding different types of ores which could benefit the customers in reducing costs. The Research & Development section continues to work in this direction and has been successful in meeting the customer needs.

#### 6. EMPLOYEE RELATIONS

The relationship with the employees remained cordial.

#### 7. DIRECTORS :

Mr.Vinod Narain, Mr D.P. Dhanuka and Mr Pradip R.Shah retire by rotation and being eligible offer themselves for reappointment at the ensuing Annual General Meeting.



## **DIRECTORS' REPORT (Contd..)**

Mr. R. P. Agarwal expired on 6th April 2013. The Board in its meeting held on 4th May 2013 condoled the untimely demise and also conveyed heart-felt condolences to the bereaved family on behalf of the Company. The Board expresses its gratitude for the invaluable contribution by Mr. R. P. Agarwal towards the progress of the company during his tenure as Director. The Board requests the members to observe two minutes silence as a mark of respect to the departed soul.

### **8. AUDITORS :**

The Statutory Auditors, M/S Dagliya & Co. hold office until the conclusion of this meeting and are eligible for reappointment. The company has received letter from M/S Dagliya & Co., to the effect that their reappointment, if made, would be within the limits specified under section 224 (1B) of the Companies Act 1956.

### **9. COST AUDITORS :**

The Company has appointed M/S Kiran J. Mehta & Co Cost Accountants for conducting Cost Audit for the financial year 2012-13.

### **10. DEPOSITS:**

The Company has not accepted any deposits from the public during the year under review within the meaning of section 58A of the Companies Act 1956

### **11. CORPORATE GOVERNANCE:**

Pursuant to clause 49 of the listing agreement with stock exchanges, a separate section( Annexure III to the Directors' report ) titled "Corporate Governance" has been included in this Annual Report along with a certificate from the practicing company secretary and a certificate from the Chief Executive officer and Chief Finance officer.

### **12. MANAGEMENT DISCUSSION AND ANALYSIS**

A detailed report on "Management Discussion and Analysis " (MDA) pursuant to clause 49 of the listing agreement is annexed as Annexure IV to the Directors report and forms integral part of this report.

### **13. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of section 217 (2AA) of the Companies Act 1956, with respect to Directors' responsibility statement, the Directors hereby confirm that:

- i) in the preparation of the annual accounts for the financial year 2012-13, the applicable accounting standards have been followed and there are no material departure;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and the profit of the Company for the financial year;
- iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis.

### **14. COMPLIANCE CERTIFICATE**

Pursuant to section 383A of the Companies Act 1956 and Companies (Compliance Certificate) Rules 2001, compliance certificate from Mr. Manjunatha Reddy, practicing Company Secretary for the financial year 2012-13 is attached as Annexure II to this Directors' report.

### **15. PARTICULARS OF EMPLOYEES**

No employee of the Company is drawing salary in excess of the limits specified under section 217(2A) of the Companies Act 1956 read with the Companies (Particulars of Employees) Rules 1975.

### **ACKNOWLEDGMENTS**

Your Directors sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels. The Directors also wish to place on record their gratitude to the members for their continued support and confidence. Your Directors also have pleasure to place on record their sincere appreciation for the continued co-operation and support extended to the Company by the Bankers Canara Bank and State Bank of India and various other Government authorities.

Place : Bangalore  
Date : 04-05-2013

For and on behalf of the Board of Directors  
**VINOD NARAIN**  
Chairman