

42nd

**ANNUAL
REPORT
2013-2014**



Welcast Steels Limited



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)

KEY MANAGERIAL PERSONS

Mr. Mohana Rao VVR	CEO
Mr. Yash Raj	CFO
Mr. S N Jetheliya	Company Secretary (w.e.f 28/07/2014)

AUDITORS

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

BANKERS

Canara Bank, Bengaluru.
State Bank of India, Bengaluru

REGISTERED OFFICE & FACTORY

Plot No. 15, Phase - 1
Peenya Industrial Area,
Bengaluru - 560 058
Phone : 0-8722803333, 8722802333, 28394058 / 59
CIN : L27104KA1972PLC002163
E-mail : info@welcaststeels.com
Web : 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

**42nd ANNUAL GENERAL MEETING**

Date	10th September, 2014
Day	Wednesday
Time	12:00 Noon
Place	THE LALIT ASHOK, Kumarakrupa High Grounds, Bengaluru – 560 001
Book Closure (Dates)	3rd Sept. 2014 To 10th Sept. 2014 (Both days inclusive)

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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 August 2014 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	
PAN	
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 & IFS 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 -SB/CA	

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**



NOTICE

NOTICE is hereby given that the Forty Second Annual General Meeting of the members of Welcast Steels Limited will be held on Wednesday, the 10th day of September, 2014 at 12:00 Noon at THE LALIT ASHOK, Kumara Krupa High Grounds Bengaluru-560 001 to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit and Loss for the year ended on that date and reports of the Board of Directors' and Auditors' thereon.
- (2) To declare dividend on Equity Shares for the Financial Year ended 31st March 2014.
- (3) To appoint a Director in place of Mr. Bhadresh K Shah (holding DIN 01025579), who retires by rotation and being eligible, offers himself for re-appointment.
- (4) To consider and if thought fit to pass the following resolution as an Ordinary Resolution:
"RESOLVED that pursuant to the provisions of section 139 and other applicable provision, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s Dagliya & Co. Chartered Accountants (Firm Registration No.000671S), be and is hereby re-appointed as the auditors of the company to hold the office from the conclusion this Annual General Meeting (AGM) till the conclusion of forty fifth AGM of the company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus Service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Chairman of the company and the Auditors."

SPECIAL BUSINESS:

- (5) **Appointment of Mr. D.P Dhanuka as an Independent Director of the Company**
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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV and Clause 49 of the Listing agreement, Mr. D.P Dhanuka (holding DIN 00168198), an Independent Director of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019."
- (6) **Appointment of Mr. Rajendra S. Shah as an Independent Director of the Company**
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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV and Clause 49 of the Listing agreement, Mr. Rajendra S. Shah (holding DIN 00061922), an Independent Director of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019."
- (7) **Appointment of Mr. Sanjay S. Majmudar as an Independent Director of the Company**
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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV and Clause 49 of the Listing agreement, Mr. Sanjay S. Majmudar (holding DIN 00091305), an Independent Director of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019."
- (8) **Appointment of Mr. Pradip R. Shah as an Independent Director of the Company**
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 Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force) read with Schedule IV and Clause 49 of the Listing agreement, Mr. Pradip R. Shah (holding DIN 00293396), an Independent Director of the Company and in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office of



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Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019.”

(9) Ratification of Remuneration fixed by the Board to the Cost Auditors M/s. Kiran J. Mehta & Co., (Firm Registration No : 000025)

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 Section 148 and all other applicable provisions of the Companies Act, 2013, and the Companies [Audit and Auditors] Rules, 2014 [including any statutory modification (s) or re-enactment (s) thereof for the time being in force], the consent of the Members be and is hereby accorded to ratify the remuneration of ₹.60 thousand decided by the Board of Directors on the recommendations of the Audit Committee. The amount is payable to M/s. Kiran J. Mehta & Co., Cost Accountants, Ahmedabad appointed by the Board to conduct the audit of cost records of the Company for the Financial Year ending on 31st March 2015.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Place : Bengaluru
Date : 28-07-2014

By order of the Board of Directors
VINOD NARAIN
Chairman

NOTES

1. The Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Businesses to be transacted at the meeting, are annexed hereto.
2. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote on a poll only instead of himself / her self and a proxy need not be a member.** A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company.
The instrument of proxy in order to be effective must be received at the Registered Office of the Company duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy Form is annexed herewith. Proxy Form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 3rd September 2014 to 10th September 2014 (both days inclusive) for annual closing and determining the entitlement of the Members to the dividend for the Financial Year 2013-14.
4. Members are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of the Meeting Hall.
5. A dividend of Rs.5 per share has been recommended by the Board of Directors for the year ended 31st March 2014, subject to the approval of the Members at the ensuing Annual General Meeting and is proposed to be paid from 15th September, 2014.
6. Payment of Dividend:
 - (a) The Bank account particulars of the members holding shares in physical form will be printed on the dividend warrants. Hence the members are advised to intimate changes, if any in their registered address along with Pin Code and submit particulars of their bank account viz. name and address of the branch of the bank, 9 digit MICR code of the branch, type of account and account number latest by 30th August 2014 directly to the Company's Registered office address. A separate form in this connection is provided and enclosed along with this notice.
 - (b) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the company of any change in Address or demise of any Member(s) as soon as possible. Members are also advised not to leave their demat account (s) dormant for long. Members holding shares in demat form are advised to inform the changes, if any, particulars of their bank account to their respective Depository Participants.
7. 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 the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Registrar & Share Transfer Agent.
8. In compliance with the circular of Ministry of Corporate Affairs for a “Green Initiative in the Corporate Governance” by allowing / permitting service of documents etc. in electronic form, electronic copy of the Annual Report of 2014 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email address, physical copies of the Annual Report for 2014 are being sent in the permitted mode.



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9. All documents referred to in the accompanying Notice and the Explanatory Statements shall be open for inspection at the Registered Office of the Company during normal business hours (9.30 a.m. to 5.00 p.m.) on all working days except Sunday and other public holidays, up to and including the date of the Annual General Meeting of the Company.

The Company proposes to send documents, such as the Notice of the Annual General Meeting, Annual Report, Half-yearly and Quarterly communications etc. henceforth to the Members in Electronic Form at the e-mail address provided by them and made available to the Company by the Depositories from time to time.

In case you wish to receive the above documents in physical form, you are requested to please inform us to the E-mail ID. invest_grievance@welcaststeels.com Please quote Name, your Demat Account No. [DP ID No. and Client ID No.].

Those members who have so far not encashed their dividend warrants for the under mentioned Financial Years, may claim or approach the Company for the payment thereof as the same will be transferred to the Investors' Education and Protection Fund (IEPF) of the Central Government, pursuant to Section 205 C of the Companies Act, 1956. Members are requested to note that after such dates, the members will lose their rights to claim such dividend.

Sr. No.	Financial Year	Due date of Transfer to IEPF
1.	2006-07	19.10.2014
2.	2007-08	19.10.2015
3.	2008-09	27.08.2016
4.	2009-10	24.08.2017
5.	2010-11	01.09.2018
6.	2011-12	17.08.2019
7.	2012-13	09.08.2020

10. Voting through electronic means:

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 providing e-voting facility as an alternative mode of voting which will enable the members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Ltd (CDSL) to facilitate e-voting. The detailed process, instructions and manner of e-voting facility is annexed to the Notice.

11. Re-appointment / Appointment of Directors:

It is proposed that Messers D.P Dhanuka, Rajendra S. Shah, Sanjay S. Majmudar and Pradip R. Shah, who have already completed their 1st term of five years as Independent Directors, proposed to be re-appointed for the 2nd term of five years from 10th September 2014 to 09th September 2019.

Pursuant to the requirements under the Listing Agreement with the Stock Exchanges, relating to Corporate Governance, a statement containing brief resumes of the above Directors together with the details of shares held by them, if any, is annexed hereto.

REQUEST TO THE MEMBERS

- Members desiring any relevant information on the Accounts at the Annual General Meeting are requested to write to the Company at least seven days in advance at its Registered Office, so as to enable the Company to keep the information ready.
- Members are requested to bring their copy of the Annual Report to the Meeting.



NOTICE

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO SPECIAL BUSINESSES MENTIONED IN THE ACCOMPANYING NOTICE:

ITEM NO.5

Mr. D.P Dhanuka (holding DIN 00168198), is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in Feb. 1972 .

Notice along-with requisite deposit as required pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act) has been received from a Member proposing the candidature of Mr. D.P. Dhanuka as an Independent Director of the Company to hold office of an Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019.

Mr. D.P. Dhanuka is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act, inter alia stipulates the criteria of independence, for the appointment of an Independent Director in a Company. As per the provisions of the said section, an Independent Director can hold office for a term upto five consecutive years of two terms on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

Company has also received a declaration from Mr. D.P. Dhanuka that he meets the criteria of independence as prescribed under Section 149 [6] of the Act and Clause 49 of the Listing Agreement as amended from time to time. Mr. D.P. Dhanuka possesses appropriate skills, expertise and knowledge in finance and other fields. A brief profile of Mr. D.P. Dhanuka and names of companies in which he is a director and memberships / chairmanships of the Board Committees, Shareholding etc. as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are annexed to this Notice.

In the opinion of the Board, Mr. D.P. Dhanuka fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter of appointment of Mr. D.P. Dhanuka as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during the normal business hours on any working day.

Considering his eminence, rich experience and expertise in his field, it will be in the best interest of the Company to appoint him as an Independent Director. The Board considers that his continued association would be of immense benefit to the Company and is desirable to continue to avail the services of Mr. D.P. Dhanuka as an Independent Director of the Company.

Except Mr. D.P. Dhanuka, none of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned in the resolution.

The Board recommends passing of the said resolution by way of a Special Resolution for the approval of the members of the Company.

This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

ITEM NO. 6

Mr. Rajendra S. Shah (holding DIN 00061922), is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May 2007.

Notice along-with requisite deposit as required pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act) has been received from a Member proposing the candidature of Mr. Rajendra S. Shah as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019.

Mr. Rajendra S. Shah is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director. Section 149 of the Act, inter alia stipulates the criteria of independence, for the appointment of an Independent Director in a Company. As per the provisions of the said section, an Independent Director can hold office for a term upto five consecutive years of two terms on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

Company has also received a declaration from Mr. Rajendra S. Shah that he meets the criteria of independence as prescribed under Section 149 [6] of the Act and clause 49 of the Listing Agreement as amended from time to time. Mr. Rajendra S. Shah possesses appropriate skills, expertise and knowledge in Finance and other fields. A brief profile of Mr. Rajendra S. Shah and names of companies in which he is a Director and memberships / Chairmanships of the Board Committees, Shareholding etc. as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are annexed to this Notice.

In the opinion of the Board, Mr. Rajendra S. Shah fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Rajendra S. Shah as an Independent Director setting out the terms and conditions would be available for



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inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Considering his eminence, rich experience and expertise in different fields, it will be in the best interest of the Company to appoint him as an Independent Director. The Board considers that his continued association with the company would be of immense benefit and is desirable to avail the services of Mr. Rajendra S. Shah as an Independent Director of the Company.

Except Mr. Rajendra S. Shah, none of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned in the resolution.

The Board recommends passing of the said resolution by way of a Special Resolution for the approval of the members of the Company.

This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

ITEM NO. 7:

Mr. Sanjay S. Majmudar (holding DIN 00091305) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May 2007.

Notice along-with requisite deposit as required pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act) has been received from a Member proposing the candidature of Mr. Sanjay S. Majmudar as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 09th September 2019.

Mr. Sanjay S. Majmudar is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act, inter alia stipulates the criteria of independence, for the appointment of an Independent Director in a Company. As per the provisions of the said section, an Independent Director can hold office for a term upto five consecutive years of two terms on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

Company has also received a declaration from Mr. Sanjay S. Majmudar that he meets the criteria of independence as prescribed under Section 149 [6] of the Act and Clause 49 of the Listing Agreement as amended from time to time. Mr. Sanjay S. Majmudar possesses appropriate skills, expertise and knowledge in Finance and other fields. A brief profile of Mr. Sanjay S. Majmudar and names of companies in which he is a Director and memberships / chairmanships of the Board Committees, Shareholding etc. as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are annexed to this Notice.

In the opinion of the Board, Mr. Sanjay S. Majmudar fulfills the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company. Copy of the draft letter for appointment of Mr. Sanjay S. Majmudar as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

Considering his eminence, rich experience and expertise in different fields, it will be in the best interest of the Company to appoint him as an Independent Director. The Board considers that his continued association with the company would be of immense benefit and is desirable to avail the services of Mr. Sanjay S. Majmudar as an Independent Director of the Company.

Except Mr. Sanjay S. Majmudar, none of the Directors, Key Managerial Personnel or their relatives can be considered to be interested in or concerned in the resolution.

The Board recommends passing of the said resolution by way of a Special Resolution for the approval of the members of the Company.

This explanatory statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

ITEM NO. 8:

Mr. Pradip R. Shah (holding DIN 00293396) is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in May 1995.

Notice along-with requisite deposit as required pursuant to the provisions of Section 160 of the Companies Act, 2013 (the Act) has been received from a Member proposing the candidature of Mr. Pradip R. Shah as an Independent Director of the Company to hold office of Independent Director for a 2nd term of five consecutive years with effect from 10th September 2014 to 9th May 1995.

Mr. Pradip R. Shah is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act, inter alia stipulates the criteria of independence, for the appointment of an Independent Director in a Company. As per the provisions of the said Section, an Independent Director can hold office for a term upto five consecutive years of two terms on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.