

DIRECTORS' REPORT

(For the Financial year ended on 31st March 2023)

To,
The Members,
Phil Ispat Private Limited

On the behalf of Board of Directors, I take pleasure in presenting the **19th (Nineteenth)** Director's Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2023 and on the state of affairs of the Company.

1. FINANCIAL RESULTS:

The Company's Financial Performance for the financial year ended on 31st March, 2023 under review along with previous year's figures are given hereunder:

Particulars	Amount (In Lacs)	
	2022-2023	2021-2022
Revenue from Operations	50,895.66	40,207.19
Other Income	174.40	34.53
Total Income	51,070.06	40,241.72
Less-Total expenses	44,142.50	36,504.06
Profit before Taxation	6,927.56	3,737.66
Less- Tax Expenses	1,784.00	950.00
Less-Deferred Tax	13.73	36.52
Less-Prior Period Taxes	(3.39)	0.94
Profit after Taxation	5,133.22	2,750.20

2. DIVIDEND:

In order to conserve resources, the Board does not recommend any dividend for the financial year ended 31st March, 2023.



3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no Dividend Declared and paid last year.

4. DIRECTORS:

There has been no change in the composition of the Board during the year under review.

5. DECLARATION OF INDEPENDENT DIRECTORS (IF APPLICABLE)

Since the Company is a Private Limited Company provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

6. DEPOSITS

Your Company has not accepted any Deposits under the applicable provisions of Companies Act, 2013 and is therefore not required to give any disclosure regarding the same.

7. INFORMATION PURSUANT TO RULE 5(2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (IF APPLICABLE)

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO (IF APPLICABLE)

The information on conservation of energy and technology absorption under section 134(3)(m), of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows:

A. CONSERVATION OF ENERGY;

The company is engaged in the business of Manufacture of Sponge iron, M S Billet, TMT Bar and Power Generation and in this regard, company has setup Waste Heat Based Power Plant in order to take best use of the inherent energy in the waste heat generated during the process of manufacturing of sponge iron.

B. TECHNOLOGY ABSORPTION:

The company is taking various steps by taking best use of the new and latest technologies to give best quality products at the cheapest cost to their customers.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

The Company did not have any foreign exchange earnings or outgo during the financial year under review.

9. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of its Loss for the year ended on that date;
- c. 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, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. They have prepared the annual accounts for the year ended 31st March, 2023 on a 'going concern' basis; and
- e. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. AUDITOR'S REPORT:

The Independent Auditors Report along with the Annexure as prescribed under the Companies (Auditor's Report) Order, 2020 and issued by the Auditors are appended in this Annual Report, wherein the Auditors have not made any qualification/ adverse remarks based on the auditing.

11. STATUTORY AUDITORS:

M/s Natwar Vinod & Co., Chartered Accountants, (FRN No. 007700C) were appointed as the Statutory Auditors of the company at the Annual General Meeting of the company held on 30/09/2019 for the period of 5 consecutive years.

12. COST RECORDS AND COST AUDIT

The provisions of section 148 of Companies Act, 2013 read with Companies (Cost Record and Audit) Rules, 2014 are applicable to the company for maintenance of cost record as the item manufactured by the company falls under non-regulated sector, Table B of the said rules, and the same are maintained.

Further the Company has duly appointed Sohan Lal Jalan, Cost Accountant (FRN: 00521) as the Cost Auditor for the audit of Cost Records maintained by the Company.

13. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM (IF APPLICABLE)

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company. Hence, disclosure pursuant to Section 177 (8) & (9) of the Companies Act, 2013 is not required.

14. DISCLOSURE OF CASES RELATING TO SEXUAL HARASSMENT:

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace.

The Company has constituted Internal Committee(s) (ICs) to redress and resolve any complaints arising under the POSH Act.

There were no complaints relating to child labour, forced labour, involuntary labour or any sexual harassment during the financial year 2022-23.

The management has taken necessary steps for zero tolerance for sexual harassment cases in the Company. The management has ensured the compliance & provisions of the Sexual Harassment

of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & Rules made therein.

15. DISCLOSURE ON SECRETARIAL STANDARD

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standard, as issued by ICSI, pursuant to the provision of Section 118(10) of Companies Act, 2013 and that such systems are adequate and operating effectively.

16. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualifications, reservations or adverse remarks made by either the Auditors or by the Practicing Company Secretary in their respective reports. The Provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

17. BOARD MEETING

During the financial year under review **16 (Sixteen)** Board Meetings were held:

S. No.	Date	No. of Directors present
1.	02/04/2022	04
2.	13/04/2022	04
3.	25/05/2022	04
4.	25/05/2022	04
5.	29/08/2022	04
6.	05/09/2022	04
7.	01/10/2022	04
8.	04/10/2022	04
9.	14/11/2022	04
10.	01/12/2022	04
11.	05/12/2022	04
12.	17/12/2022	04
13.	09/01/2023	04
14.	02/02/2023	04
15.	14/02/2023	04
16.	28/03/2023	04

18. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

19. DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES

An amount of Rs. 51,33,22,355/- (Rupees Fifty-One Crores Thirty-Three Lakhs Twenty-Two Thousand Three Hundred Fifty-Five only) has been transferred to General Reserve as per the existing provisions of the Companies Act, 2013 and rules made there under.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has a holding company i.e. Gopal Sponge and Power Private Limited and has following associate companies as on 31st March 2023:

- i) Vraj Metaliks Private Limited
- ii) Chhattisgarh Steel And Power Limited
- iii) MVK Industries Private Limited

Further the Company does not have any Subsidiary or Joint Ventures during the financial year ended on 31st March 2023.

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has complied with all the provisions of section 186 of the Act, with respect to loans and investment made by passing Special Resolution on 2nd January, 2023.

22. STATE OF COMPANY'S AFFAIRS

It is imperative that affair of our Company are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

23. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

During the Financial Year 2022-23, Company had altered its Object Clause of the Memorandum of Association of the Company by addition of new object vide its Extra-Ordinary General Meeting of the Company held on 01st November, 2022.

Further the shareholders of the Company in their Extra-Ordinary General Meeting held on 02nd January, 2023, had given approval for giving loan or guarantee or providing security in connection with loan availed by any person in whom any of the Director of the Company is interested, under section 185 of the Companies Act, 2013 up to a sum not exceeding Rs. 1,00,00,00,000/- (Rupees One Hundred Crores only) and approval to make loans and Investment made by the Company under Section 186 of the Companies Act 2013 up to a sum not exceeding Rs. 1,00,00,00,000/- (Rupees One Hundred Crores only).

Further, No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

24. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has developed and implemented a risk management policy. However, no element of risk which in the opinion of the Board may threaten the existence of the Company has been identified so far.

25. CORPORATE SOCIAL RESPONSIBILITY:

The Company has developed and implemented Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are applicable to the Company.

As per Section 135(9) of the Companies Act, 2013, Where the amount to be spent by a company under sub-section (5) does not exceed fifty lakh rupees, constitution of the Corporate Social Responsibility Committee shall not be a applicable and such function of such committee shall be discharge by Board of Director of the Company.

Since, the amount to be spent by the Company u/s 135(5) of the Companies Act, 2013 does not exceed fifty lakhs rupees, constitution of CSR Committee of the Board ("CSR Committee") does not arise.

The Board of Directors shall discharge all the function of the CSR Committee.

A detail CSR Reporting is annexed as **Annexure-A**

26. DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

The Company has an internal control system commensurate with the size of the Company and the nature of its business.

28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There have been no materially significant related party transactions between the Company and the Related Parties except for those disclosed in the Financial Statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188 (1) along with the justification for entering into such contract or arrangement in Form AOC-2 form part of the report as **Annexure-B**.

29. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS:

The business of the company is going well and it has great prospects for future. Your Directors are optimistic about Company's business and hopeful of better performance with increased revenue in next year.

30. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 of 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, there were no applications made or proceedings pending in the name of the company under the Insolvency Bankruptcy Code, 2016.

31. 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:


During the year under review, there was no one time settlement of loans from Banks and Financial Institutions.

32. ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation to the whole hearted help and co-operation the Company has received from the business associates, partners, vendors, clients, government authorities, and bankers of the Company.


**By order of the Board
For, Phil Ispat Private Limited**

**Place: Raipur
Date: 30.06.2023**


Vijay Anand Jhanwar
(Whole-time Director)

DIN: 00826103

Address: Bungalow No. 4 Las Vista Colony
VIP Road, Amlidih, Raipur (C.G.) 492001


Prasant Kumar Mohta
(Whole-time Director)

DIN: 06668452

Address: Word No. 4 near National School
Barbil, Keonjhar, Orissa 758035



ANNEXURE-A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY OF PHIL ISPAT
PRIVATE LIMITED FOR F.Y.2022-23

1. Brief Outline of CSR Policy of the Company:

This CSR Policy aligns with Section 135 of The Companies Act, 2013 and is in accordance with the Companies Rule, 2014 as amended from time to time by Phil Ispat Private Limited undertakes CSR initiatives to:

- a) Promote principles of social responsibility and inclusive growth through awareness and support
- b) Strengthen the trust of its stakeholders, including society at large.
- c) Promote education and livelihood enhancement.
- d) Promote food for life
- e) Ensure environmental sustainability.
- f) Livelihood enhancement projects focusing on rural communities
- g) Skills training for youth

2. Composition of CSR Committee: N.A

- i) The Company has developed and implemented Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are applicable.
- ii) Since, the amount to be spent by the Company u/s 135(5) of the Companies Act, 2013 does not exceed Rs. 50,00,000/- (Rupees Fifty Lakhs only), the Company has no obligation to constitution CSR Committee of the Board ("CSR Committee"). The Board of Directors looks into all the obligations of CSR.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. Not Applicable

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs. 19,95,06,574 (For F.Y. 20219-20, 2020-21 and 2021-22)

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: Rs. 39,90,200/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. NIL

(d) Amount required to be set-off for the financial year, if any. NIL

(e) Total CSR obligation for the financial year [(b) + (c)-(d)]: Rs. 39,90,200/-

6. (a) Details of CSR amount spent against ongoing projects for the financial year: NA

(b) Details of CSR amount spent against other than ongoing projects for the financial year: Rs. 27,00,000/-

(1) S. No	(2) CSR Project or activity Identified	(3) Sector in which the Project is covered	(4) Projects or programs		(5) Amount spent on the projects	(6) Mode of implement ation – Direct (Yes/No)	(7) Mode of implement ation through implementi ng agency
			Local area or other (Yes/No)	Specify the State and district where projects or progra ms was underta ken			
1.	Dhanushdhari Lal Shiksha Sewa Samiti	Clause No. (ii) of Schedule VII	No	Siddarth Nagar, UP	10,00,000/-	Yes	NA
2.	State Investment promotion Board, for promotion of “Girls Kabaddi” at Bilaspur Academy	Clause No. (vii) of Schedule VII	Yes	Raipur (C.G.)	15,00,000/-	Yes	NA
3.	Gram Panchayat, Murru for development of Cultural Platform	Clause No. (v) of Schedule VII	Yes	Bilaspur (C.G.)	2,00,000/-	Yes	NA

(c) Amount spent in Administrative Overheads: NIL

(d) Amount spent on Impact Assessment, if applicable: NIL

(e) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 27,00,000/-

(f) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year 22-23 (in Rs.)	Amount Unspent (in Rs.)				
	Total amount transferred to unspent CSR account as per section 135(6) (in Rs.)		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 (Rs.)	Date of Transfer
27,00,000	NIL	NIL	12,90,200/- shall be transferred before 30/09/2023		

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

S No.	Particulars	Amount (In Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	39,90,200/-
(ii)	Total amount spent for the Financial Year	27,00,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer.	
1.	2021-22	-	-	-	-	-	-
2.	2020-21	-	-	-	-	-	-
3.	2019-20	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: The Company has total obligation of Rs. 39,90,200/- to be spend during the FY 2022-23 on CSR activities. But during the year Company had spent Rs. 27,00,000/- on the CSR activities and Rs. 12,90,200/- is remained unspent during the financial year 2022-23.

But as per the provisions given under proviso to sub-section 5 of Section 135 of the Companies Act, 2013, Company is planning to deposit the unspent amount of Rs. 12,90,200/- to the PM Care Funds on or before 30th September, 2023.

For, Phil Ispat Private Limited


Vijay Anand Jhanwar

(Whole-time Director)

DIN: 00826103

Address: Bunglow No. 4 Las Vista Colony
VIP Road, Amlidih, Raipur (C.G.) 492001


Prasant Kumar Mohta

(Whole-time Director)

DIN: 06668452

Address: Word No. 4 near National School
Barbil, Keonjhar, Orissa 758035



“ANNEXURE B”

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

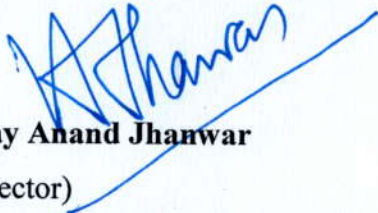
Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

Details of material contracts or arrangement or transactions at arm's length basis:

SL. No.	Particulars	Details	Details	Details
a)	Name (s) of the related party & nature of relationship	Gopal Sponge and Power Private Limited	Gopal Sponge and Power Private Limited	Gopal Sponge and Power Private Limited
b)	Nature of Relationship with Related Party	Holding Company	Holding Company	Holding Company
c)	Nature of contracts/arrangements/transaction	Purchase of Goods	Sales of Goods	Office Rent paid
d)	Duration of the contracts/arrangements/transaction	2022-23	2022-23	2022-23
e) (i)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 54,93,74,774/-	Rs. 18,73,86,657/-	Rs. 1,41,600/-
(ii)	Salient terms of the contracts or arrangements or transaction including the value, if any	-	-	
f)	Date of approval by the Board	-	-	


SL. No.	Particulars	Details	Details	Details
a)	Name (s) of the related party & nature of relationship	Vraj Metaliks Private Limited	Vraj Metaliks Private Limited	Vraj Commercial Private Limited
b)	Nature of Relationship with Related Party	Associate Company	Associate Company	Associate Company
c)	Nature of contracts/arrangements/transaction	Purchase of Goods	Sales of Goods	Sales of Goods
d)	Duration of the contracts/arrangements/transaction	2022-23	2022-23	2022-23
e) (i)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 53,46,214/-	Rs. 1,87,49,640/-	Rs. 4,99,694/-
(ii)	Salient terms of the contracts or arrangements or transaction including the value, if any	-	-	-
f)	Date of approval by the Board	-	-	-

For, Phil Ispat Private Limited


Vijay Anand Jhanwar
(Director)

DIN: 00826103

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