



REPORT ON CORPORATE GOVERNANCE

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Our corporate governance philosophy:

The Company's philosophy on Corporate Governance aims at assisting the management of the Company in the efficient conduct of the business and in meeting its responsibilities to all the Stakeholders. The Company always strives to achieve optimum performance at all levels by adhering to good Corporate Governance practices, such as:

- Fair and transparent business practices.
- Effective management control by Board.
- Adequate representation of Promoters and Independent Directors on the Board.
- Monitoring of executive performance by the Board.
- Compliance of Laws.
- Transparent and timely disclosure of financial and management information.

Your Company believes that good Corporate Governance is essential for achieving long-term corporate goals of the Company and for meeting the needs and aspirations of its stakeholders, including shareholders. The Company's Corporate Governance philosophy has been further strengthened through the Model Code of Conduct for the Directors / Designated Employees of the Company. The said Code of Conduct for prevention of the Insider Trading has also been amended from time to time in line with the amended Securities and Exchange Board of India (SEBI) Prevention of Insider Trading Regulations in this regard.

We take pleasure in reporting that your Company has complied in all respects with the features of Corporate Governance specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time.

BOARD OF DIRECTORS:

(A) COMPOSITION OF THE BOARD:

The Composition of the Board of Directors, with reference to the number of Executive and Non-Executive Directors, meets the requirement of Code of Corporate Governance. The Board is headed by the Non-Executive Director as Chairman, Mr. Vinod Narain. The present strength of the Board of Directors is 8 which include 3 Non-Executive – Promoter Directors and Non-Independent Directors, 5 Non - Executive Independent Directors in terms of Regulation 17 (1) (a) of SEBI Listing Regulations and Section 149 of the Companies Act, 2013. Board represents a balance mix of professionalism, knowledge and expertise.

Pursuant to the provisions of Section 149 (3) of the Companies Act, 2013 and Regulation 17 (1) (a) of SEBI Listing Regulations as amended from time to time, Mrs. Khushali S. Solanki is the Woman Director (Non-Executive – Non-Independent) on the Board.

I. BOARD MEETINGS / DETAILS OF BOARD MEETINGS:

The Board of Directors oversees management performance so as to ensure that the Company adheres to the highest standards of Corporate Governance. The Board provides leadership and guidance to the management and evaluates the effectiveness of management policies. Board meeting dates are finalized in consultation with all the directors and agenda of the board meeting alongwith the relevant information are circulated well in advance before the date of the meeting. Board members express opinions and bring up matters for discussions at the meetings. Copies of minutes of the various Committees of the Board, minutes of Board meetings of the company and Compliance Report in respect of various laws and regulations applicable to the company are tabled at Board meeting.

The Board periodically reviews the items required to be placed before and in particular reviews and approves quarterly / half yearly un-audited financial statements and the audited annual financial statements, business plans, annual budgets and capital expenditure. The Agenda for the Board Meetings covers items set out as guidelines in Regulation 17 (1) (a) of SEBI Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by the relevant information, documents and presentations to enable the Board to take informed decisions.

During the year under review, four Board meetings were held on 22nd May 2017, 14th August, 2017, 7th November, 2017 and 1st February 2018. The Company held one Board Meeting in each quarter and the gap between any two Board Meetings was not more than one hundred twenty days as prescribed under the Regulation 17(2) of SEBI Listing Regulations and section 173(1) of the Companies Act 2013. Details of the Directors, their positions,



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attendance record at Board meetings and last Annual General Meeting (AGM), other Directorships (excluding Private Limited, Foreign Companies and Alternate Directorships) and the Memberships / Chairmanships of Board Committees other than your Company as on 31st March, 2018 are as follows:

Name of the Director	Category	Number of Board meetings attended during the year 2017-18	Attendance at the last AGM held on 14th August 2017	Number of Directorships in other public Companies		Number of Committee positions held in other public companies		Sitting Fees for Board and Committee Meetings paid ₹ in Lacs
				Listed	Unlisted	Member	Chairman	
Mr. Vinod Narain Chairman	Non- Executive Non- Independent	3	Yes	-	-	-	-	0.30
Mr. D.P. Dhanuka	Non- Executive Independent	4	Yes	-	-	-	-	0.60
Mr. Bhadresh K. Shah	Non- Executive Non- Independent	4	Yes	1	-	2	-	0.60
Mr. Sanjay S. Majmudar	Non -Executive Independent	1	Yes	3	1	2	3	0.15
Mr.Rajendra S.Shah	Non- Executive Independent	1	Yes	3	1	2	3	0.10
Mr.Pradip R.Shah	Non-Executive Independent	3	No	-	-	-	-	0.45
Mr. Ashok A. Nichani	Non- Executive Independent	3	Yes	-	-	-	-	0.30
Mrs.Khushali S. Solanki	Non- Executive Non -Independent	1	Yes	1	-	-	-	0.05

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

(B) INDEPENDENT DIRECTORS' COMPENSATION AND DISCLOSURES:

Independent Directors' are paid sitting fees in accordance with the applicable laws, and no commission is paid. The Board of Directors at their meeting held on 5th June 2006 had decided to pay ₹. 5,000 as sitting fees for attending Board and other Committee Meetings. The details of the sitting fees paid are given in the table given under the heading Board Meetings / Details of Board Meeting as mentioned above.

In addition, the Independent Directors provide an annual confirmation that they meet the criteria of independence as defined under Section 149(6) on an annual basis of the Companies Act, 2013.

(C) ROLE OF INDEPENDENT / NON-INDEPENDENT – NON EXECUTIVE DIRECTORS:

The Independent Directors / Non-Independent – Non-Executive Directors play an important role in the deliberations in Board Meetings and bring with them rich expertise in their respective fields.

(D) CODE OF CONDUCT:

Company's Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company www.welcaststeels.com. The Code lays down the standard of conduct which is expected to be followed by the Board Members and the Senior Management of the Company in particular on matters relating to integrity in the Work Place, in business practices and in dealing with Stakeholders. All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by the Chief Executive officer to this effect is enclosed at the end of this report.

(E) PROHIBITION OF INSIDER TRADING:

In Compliance with SEBI Regulation for prevention of Insider Trading, the Company has formed Model Code of Conduct of Insider Trading Regulations which is applicable to all the Directors, Officers and the Designated Employees of the Company who are expected to have access to the unpublished Price Sensitive information relating to the Company. The said Code lays down guidelines which advise them on procedures to be followed and disclosures to be made while dealing in the shares of the Company.

(F) VIGIL MECHANISM / WHISTLE BLOWER POLICY:

In compliance with Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, the Company has formulated a Vigil Mechanism / Whistle Blower Policy (Mechanism) for its stakeholders, Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct policy.

This Mechanism also provides for adequate safeguards against victimization of Director (s) / Employee (s) / Stakeholders who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

The policy is available on the website of the Company www.welcaststeels.com. If any stakeholder comes across any instances of unethical matters; the same can be reported by sending an email to yashraj@welcaststeels.com.



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(G) POLICY ON PROTECTION OF WOMEN AGAINST SEXUAL HARASSMENT AT WORKPLACE:

The Company is committed to create a healthy and conducive working environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and/or any such orientation in implicit or explicit form. Pursuant to the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Company has adopted a "Policy on Protection of Women against Sexual Harassment at Work Place" by forming a Committee as prescribed in the Regulation. Through this Policy, the Company seeks to provide protection to its women employees against sexual harassment at work place and thereby provide mechanism for redressal of complaints related to matters connected therewith or incidental thereto. During the year, no case was reported under the Policy.

(H) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Independent Directors have been updated with their roles, rights and responsibilities in the Company by specifying them in their appointment letter along with necessary documents, reports and internal policies to enable them to familiarize with the Company's Procedures and practices. The Company has through presentations at regular intervals, familiarized and updated the Independent Directors with the strategy, operations and functions of the Company and Engineering Industry as a Whole. Site visit to the plant locations is organized for the Directors to enable them to understand the operations of the Company. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.welcaststeels.com/finances/pdf/FamilirisationProgramme.pdf>.

II. COMMITTEES OF THE BOARD:

The Company has Four Committees, namely:

- 1) Audit Committee
- 2) Stakeholders' Relationship Committee
- 3) Risk Management Committee
- 4) Nomination and Remuneration Committee

The terms and reference to these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are tabled regularly at the Board Meetings.

1) AUDIT COMMITTEE:

The Company has formed a qualified and Independent Audit Committee which acts as a link between the Statutory and Internal Auditors and the Board of Directors. The very purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for Internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. The Committee is governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and the SEBI Listing Regulations.

As on 31st March, 2018, the Audit Committee comprises of 5 Independent Directors and 1 Non Independent Director. Names of the members and the Chairman of the Committee as on 31st March, 2018 together with their attendance are given in the following table.

Name of Director	Category	No. of Meetings held	No. of Meetings attended
Mr. D.P.Dhanuka – Chairman	Independent	4	4
Mr. Bhadresh K.Shah	Non Independent	4	4
Mr. Pradip R. Shah	Independent	4	3
Mr.Ashok A.Nichani	Independent	4	3
Mr.Rajendra S. Shah	Independent	4	1
Mr.Sanjay S.Majmudar	Independent	4	1

During Financial Year 2017-18, four (4) Audit Committee meetings were held on 22nd May 2017, 14th August, 2017, 7th November, 2017 and 1st February 2018. Necessary quorum was present in all the meetings. The time gap between any two Audit committee meetings was not more than one hundred and twenty days. Mr. D.P. Dhanuka Chairman of the Audit Committee attended the last Annual General Meeting (AGM) of Shareholders of the Company. The Terms of Reference of the Audit Committee cover the matters specified for Audit Committee under Regulation 18 of SEBI Listing Regulations and Section 177 (1) of the Companies Act, 2013. The details are as under:

Brief description of Terms of Reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statements are correct, sufficient and credible;
- Recommendation for Appointment, Remuneration and terms of appointment of Auditors of the Company;
- Approval of payment 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:
 - a. 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, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the Financial Statements arising out of audit findings;



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- e. Compliance with listing and other legal requirements relating to Financial Statements;
- f. Disclosure of any related party transactions; and
- g. Modified opinion(s) in the draft Audit Report.
 - Reviewing, with the management, the quarterly 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;
 - Reviewing and monitoring the Auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of Statutory and Internal Auditors, 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;
 - Discussion with Internal Auditors of any significant findings and follow up there on;
 - 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;
 - Discussion 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;
 - To look 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;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of CFO 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.

Other Duties of Audit Committee to review:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal Audit Reports relating to internal control weaknesses; and
- The Appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
- To grant omnibus approval for related party transactions which are in the ordinary course of business and on an Arm's Length pricing basis and to review and approve such transactions subject to the approval of the Board.
- Statement of deviations.

The Audit Committee supervises the Financial Reporting & Internal Control process and ensures the proper and timely disclosures to maintain the transparency, integrity and quality of financial control and reporting. The Company continues to derive benefits from the deliberations of the Audit Committee Meetings as the members are experienced in the areas of Finance, Accounts, Taxation and the Industry.

Audit Committee is carrying out any other function as is mentioned in the terms of reference.

Statutory Auditors, Internal Auditors and their representatives are permanent invitees to the Audit Committee Meetings. The representative of the Cost Auditor is invited to attend the meeting of the Audit Committee when the Cost Audit Report is tabled for discussion. The Chief Executive Officer (CEO), Chief Financial Officer (CFO) and other concerned Executives of the Company are also invited to attend the Audit Committee Meetings.

Mr. S. N. Jetheliya, Company Secretary acts as the Secretary of the Committee.

2) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has constituted a Stakeholders Relationship Committee of Directors to look into the:

- Redressal of Shareholders and Investors complaints like transfer of Shares, non-receipt of Annual Reports, non-receipt of declared Dividends etc.
- Transfer / transmission of Shares / the securities of the Company from time to time;
- Issue of share certificate on rematerialization of Shares from time to time;
- Issue of new share certificates against sub-division of Shares, renewal, split or consolidation of Share certificates



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- Approval and monitoring of dematerialization of Shares and all matters incidental thereto;
- Monitoring of redressal of Investors / Stakeholders grievances; and
- Oversee the performance of the Registrar and Transfer Agents and recommend measures for overall improvement in the quality of Investor services. Names of the members and the Chairman of the Committee as on 31st March, 2018 together with their attendance are given in the following table.

Name of the Directors	Category	No of Meetings held	No of meetings Attended
Mr. Vinod Narain - Chairman	Non Independent	4	3
Mr. D.P.Dhanuka	Independent	4	4
Mr. Pradip R. Shah	Independent	4	3
Mr. Sanjany S.Majmudar	Independent	4	1
Mr. Bhadresh K.Shah	Non Independent	4	4

The Company Secretary acts as Compliance officer of the Committee pursuant to Regulation 20 of SEBI Listing Regulations.

Meetings and attendance during the year:

The Committee meets on need basis. During the year under review Committee met four times on 22nd May, 2017, 14th August, 2017, 7th November, 2017 and 1st February 2018.

The Committee ensures that the Shareholders' / Investors' grievances and correspondences are attended and resolved expeditiously.

Number of Shareholders' complaints received during the Financial Year:

During the period under review, Company received 6 Complaints from Shareholders and the same were resolved to their satisfaction. There is no outstanding complaint as on 31st March, 2018. Number of Complaints not solved to the satisfaction of Shareholders: Nil Number of pending Share Transfers: Nil

3) RISK MANAGEMENT COMMITTEE:

Though the provisions of Regulation 21 of SEBI Listing Regulations relating to Risk Management Committee do not apply to the Company, the Board of Directors has constituted a Risk Management Committee, voluntarily.

Corporate Risk Evaluation and Management is an ongoing process within the Organization. The Company has a well-defined Risk Management framework to identify, monitor and minimizing / mitigating risks as also identifying business opportunities.

The Risk Management framework has been developed and approved by the senior management in accordance with the business strategy.

The key elements of the framework include

- Risk Structure;
- Risk Portfolio;
- Risk Measuring & Monitoring and
- Risk Optimizing.

The implementation of the framework is supported through criteria for Risk assessment, Risk forms & MIS.

The objectives and scope of Risk Management Committee broadly comprises of:

- Oversight of risk management performed by the executive management;
- Reviewing the Corporate Risk Management Policy and framework within the legal requirements and the SEBI Listing Regulations;
- Reviewing risks and evaluate treatment including initiating mitigation actions and ownerships as per a predefined cycle;
- Defining framework for identification, assessment, monitoring, mitigation and reporting of risks.

The composition of the Risk Management Committee is as under :

Name of the Member	Category
Mr. Bhadresh K.Shah - Chairman	Non- Independent
Mr. Pradip R.Shah	Independent
Mr. Sanjay S Majmudar	Independent

4) NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of the Committee inter alia, include the following:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of Board of Directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;



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- 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.

The composition of the Nomination and Remuneration Committee is as under :

Name of the Member	Category
Mr. D.P.Dhanuka - Chairman	Independent
Mr. Bhadresh K.Shah	Non-Independent
Mr. Pradip R.Shah	Independent

5. INDEPENDENT DIRECTORS' MEETING:

As per Secretarial Standard (SS) 1 issued by the Institute of Company Secretaries of India and relevant provisions of the Companies Act, 2013 and Rules made thereunder, the Independent Directors meet once in a calendar year.

During the year under review, the Independent Directors met on 22nd May, 2017, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and time line of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

6. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Party as defined under the Section 188 of the Companies Act, 2013 and of SEBI Listing Regulations during the Financial Year 2017-18 were in Ordinary Course of Business and at Arms' Length basis. Suitable disclosures as required under Indian Accounting Standards (Ind AS-24) have been made in the notes to the Financial Statements.

III. DISCLOSURES:

(A) MATERIAL SIGNIFICANT RELATED PARTY TRANSACTIONS:

The Company has not entered into transactions of material nature with related parties i.e. Promoters, Directors or Key Managerial Persons or their relatives conflicting with the Company's interest at large. During the year under review the Company has entered into transactions of sale and purchase of material with its holding Company, AIA Engineering Limited. The Company proposes to take approval of members of the Company by way of an Ordinary Resolution to be passed in the ensuing Annual General Meeting. The Register of Contracts containing transactions with related parties was placed before the Audit Committee / Board regularly for their approval. The details of Related Party Transactions are disclosed in Financial Section of this Annual Report. The Board has approved a Policy for Related Party Transactions which has been uploaded on the website of Company http://www.welcaststeels.com/finances/pdf/policy_on_related_party_transactions.pdf

(B) DISCLOSURE OF ACCOUNTING TREATMENT:

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The previous year figures have been regrouped/reclassified or restated, so as to make the figures comparable with the figures of current year. The significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

(C) POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of Selection of Board of Directors, KMP and their remuneration.

(1) Criteria for Selection of Non-Executive Directors:

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
- In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself with regard to the independence nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- Nomination and Remuneration Committee ensures that the candidate identified for appointment / re-appointment as an Independent Director is not disqualified for appointment / re-appointment under Section 164 of the Companies Act, 2013.
- Nomination and Remuneration Committee considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
- Board of Directors takes into consideration the performance evaluation of the Directors and his engagement level.

**(2) Remuneration:****a. Remuneration Policy for Directors**

- i. The Company does not pay any remuneration to its Directors except sitting fees for attended Board and Committee Meetings.
- ii. The Directors shall be entitled to receive remuneration by way of sitting fees, for each of the meeting of Board or Committee of the Board attended by them as approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in addition to reimbursement of expenses, if any, for participation in the Board / Committee Meetings.
- iii. The Company does not have any Stock option plan, performance linked incentive scheme or commission scheme.
- iv. The details of sitting fees paid to the Directors for attending Board and Committee Meetings during the Financial Year 2017-18 are given under the heading Details of Board Meeting in this report.

b. Remuneration Policy for the Senior Management Employees:

- i. In determining the remuneration of the Senior Management Employees (i.e. KMPs and Core Committee Members), the Nomination and Remuneration Committee ensure / consider the following:
 - the relationship of remuneration and performance benchmark is clear;
 - the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus, wherever applicable;
 - the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market.
- ii. The Chief Executive Officer and Chief Financial Officer carry out the individual performance review based on the standard appraisal matrix and take into account the appraisal score card and other factors mentioned herein-above.

(3) Performance Evaluation:

In Compliance with the provisions of the Companies Act, 2013 and of SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligation and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

(D) BOARD DISCLOSURE – RISK MANAGEMENT:

The Company has laid down procedures for the Risk Assessment and its Minimization. These procedures are periodically reviewed by the Audit Committee / Board to ensure that management controls risk through means of a properly defined framework.

(E) PUBLIC ISSUE:

The Company has not come out with any Public Issue, Right Issue or Preferential Issue etc. during the year under review.

(F) MANAGEMENT:

- (i) Management Discussion and Analysis Report:
Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms a part of this Report.
- (ii) Disclosure of material Financial and Commercial Transactions:
As per the disclosures received from the Senior Management, no material Financial and Commercial transactions that may have a potential conflict with the interest of the Company at large had taken place during the year under report.

(G) SHAREHOLDERS:

- (i) Disclosures regarding appointment or re-appointment of Directors:
Mr. Vinod Narain, Director of the Company retires by rotation at the ensuing 46th Annual General Meeting of the Company and being eligible, offers himself for re-appointment.
- (ii) Quarterly / Half yearly results are forwarded to the Stock Exchanges where the Equity Shares of the Company are listed and the same are also posted on Company's website.
- (iii) Except Mr. Vinod Narain, who is holding 10 Equity Shares, no other Directors held any shares of the company at any point of time during the Year.



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H) COMPLIANCE BY THE COMPANY:

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations as well as other regulations and guidelines of SEBI. Further, during the last three years, no penalties were imposed or strictures were passed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets.

IV. CEO / CFO CERTIFICATION:

The Chief Executive Officer and the Chief Finance Officer of the Company have certified to the Board that the Financial Results of the Company for the year ended 31st March, 2018 do not contain any false or misleading statements or figures and do not omit any material facts which may make the statements or figures contained therein misleading as required under Regulation 33 of SEBI Listing Regulations.

V. MEANS OF COMMUNICATION:

The quarterly and half yearly results are published in widely circulating national and local dailies. These results are not sent individually to the Shareholders but are available on the website www.welcaststeels.com of the Company.

VI. GENERAL BODY MEETINGS: (LAST THREE YEARS DISCLOSURES) GENERAL MEETING:

ANNUAL GENERAL MEETINGS:

The particulars of the last three Annual General Meetings held are given hereunder:

SL No	Financial Year	Venue	Time and Date	Whether any special Resolution passed
1	2016-17	H.T.Parekh Convention Center, Ahmedabad Management Association, "ATIRA Campus", Dr.Vikram Sarabhai Marg, Ahmedabad -380015	11.30 A.M. on 14th August 2017	Yes
2	2015-16	HOTEL CROWN PLAZA AHMEDABAD CITY CENTRE, Near Shapath V, S.G.High Way, Ahmedabad - 380015	4.00 P.M. on 12th August 2016	No
3	2014-15	HOTEL RAMANASHREE, No.16, Raja Ram Mohan Roy Road, Bengaluru -560 025	3.00 P.M. on 21st Sept 2015	Yes

The following Special Resolutions were passed by the members during the past 3 Annual General Meetings:

Annual General Meeting held on 14th August 2017:

Alteration of Articles of Association.

Annual General Meeting held on 12th August 2016:

No Special Resolution was passed.

Annual General Meeting held on 21st September 2015:

Approval of Related Party Transactions under Section 188 of the Companies Act, 2013.

POSTAL BALLOT:

During the year under review, there was no resolution passed through Postal Ballot.

VII. GENERAL SHAREHOLDERS' INFORMATION

1. General

Date and Time of 46th AGM	9th August, 2018 at 10.30 A.M.
Venue of AGM	H.T.Parekh Convention Center, Ahmedabad Management Association, "ATIRA Campus", Dr.Vikram Sarabhai Marg, Ahmedabad – 380 015
Financial Year ended	31st March, 2018
Book Closure Date	03.08. 2018 to 09.08.2018 (both days inclusive)
Registered Office Address	115-116, G.V.M.M.Estate, Odhav Road, Odhav, Ahmedabad -382415
Company Secretary	Mr. S.N Jetheliya
Email for redressal of Investors' Complaints	invest_grievance@welcaststeels.com
Website	www.welcaststeels.com

2. Financial Calendar (subject to change) for the Financial Year 2018-19:

First Quarter Results	On or before 14th August, 2018
Second Quarter & Half Yearly Results	On or before 14th November, 2018
Third Quarter Results	On or before 14th February, 2019
Audited Results for the year 2018-19 :	On or before 30th May, 2019

3. Listing on Stock Exchanges:

Name and Address of the Stock Exchanges	Scrip Code
Bombay Stock Exchange Limited 25th Floor, P. J. Towers, Dalal Street, Fort, Mumbai – 400 001	504988



REPORT ON CORPORATE GOVERNANCE (Contd..)

The listing fees for the year 2018-19 has been paid to the Stock Exchange.

4. Market Price Data:

The securities of the Company have been listed on Bombay Stock Exchange. The stock market prices with BSE Sensex were as under:

SL.No	Month	BSE Sensex	High	Low
1.	April 2017	29918.40	698.90	607.20
2.	May 2017	31145.80	645.00	577.10
3.	June 2017	30921.61	655.20	572.00
4.	July 2017	32514.94	768.00	617.50
5.	Aug 2017	31730.49	930.00	666.50
6.	Sep 2017	31283.72	948.00	775.00
7.	Oct 2017	33213.13	1394.95	779.05
8.	Nov 2017	33149.35	1200.00	945.05
9.	Dec 2017	34056.83	1395.00	881.10
10.	Jan 2018	35965.02	1389.00	1102.30
11.	Feb 2018	34184.04	1210.00	809.35
12.	Mar 2018	32968.68	982.00	765.70

5. Registrar & Share Transfer Agent:

M/s Big Share Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059 Tel: 022-62638200, Fax No. 022-62638299, email-info@bigshareonline.com is the Registrar and Share Transfer Agent of the Company (R & T Agent). They deal with all matters pertaining to transfers, transmissions, sub divisions and consolidation of Company's securities and also correspondence for shares held in physical form. It may be noted that the request for demat of shares should be made by investors to their respective depository participants. There are no legal proceedings against the Company on any share transfer matters.

6. SHARE TRANSFER SYSTEM / DIVIDEND AND OTHER RELATED MATTERS:

i. Share Transfers:

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer documents provided the transfer documents lodged with the Company are complete in all respects.

ii. Nomination facility for shareholding:

Pursuant to the provisions of Section 72 of the Companies Act, 2013 and rules made thereunder, facility for making nomination is available for members in respect of shares held by them. Members holding shares in dematerialized form should contact their Depository Participant (DP) in this regards.

iii. Permanent Account Number (PAN):

Members who hold shares in physical Form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

IV. Dividend:

Unclaimed Dividends:

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. The Company will in September 2018 transfer to the said Fund, the dividend for the year ended 31st March 2011 which will remain unpaid.

V. Reconciliation of Share Capital Audit:

As required by the Securities and Exchange Board of India (SEBI), a Quarterly Reconciliation of Share Capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] and held in physical form, with the issued and listed Capital of the Company. The Practicing Company Secretary's Certificate in regard to this is submitted to BSE Limited and has also been placed before Stakeholders Relationship Committee and the Board of Directors.

7. Distribution of Shareholding:

i. Distribution of Shareholding as on 31st March 2018.

No. of Equity Shares	HOLDER(S)		HOLDER(S)	
	No. of folios	% of total folios	No. of Shares	% of holding
1 to 500	2061	98.38	89246	13.98
501 to 1000	22	1.05	15431	2.42
1001 to 2000	3	0.14	4119	0.65
2001 to 3000	3	0.14	6810	1.06
3001 to 4000	1	0.05	3550	0.56
4001 to 5000	-	-	-	-
5001 to 10000	2	0.09	12702	1.99
10001 & above	3	0.15	506303	79.34
Grand Total	2095	100.00	638161	100.00



REPORT ON CORPORATE GOVERNANCE (Contd..)

ii. Shareholding pattern as on 31st March, 2018.

Category of Share holders	No of Shares held		Number of Share Holders	Percentage of holding
	Electronic	Physical		
Promoter & Promoter Group	4,77,661	-	1	74.85
Public shareholding	-	-	-	-
Institutions	-	-	-	-
Financial Institutions / Banks	-	50	2	0.01
Central & State Governments (IEPF)	12700	-	1	1.99
-Bodies Corporate	5232	25	43	0.82
-Individuals	106119	29224	1979	21.21
-Trusts	25	--	1	0.00
- NRI	1509	50	22	0.25
-Clearing Member	5566	-	16	0.87
GRAND TOTAL	608812	29349	2065	100%

8. Dematerialization of Shares & Liquidity:

The Shares of the Company are compulsorily traded in DEMAT form in the Stock Exchange where they are listed. The Shares are available for dematerialization on both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March, 2018

Category of shares held	No of folios	% of total folios	No of Shares	% of holding
In Physical Mode	659	31.46	29349	4.60
In Electronic Mode	1436	68.54	608812	95.40

9. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely Impact on Equity: The Company has not issued GDRs / ADRs / Warrants or any convertible instruments.

10. Outstanding Shares in Unclaimed Suspense Account of the Company as on 31st March 2018: NIL

11. Plant Location: Plot No 15, Phase 1, Peenya Industrial Area, Bengaluru - 560 058.

12. Address for Correspondence:

a) For transfer / dematerialization of Shares, change of address of members and other queries:

Welcast Steels Limited
No.115-116, G.V.M.M. Estate, Odhav Road, Odhav, Ahmedabad – 382415, Gujarat
Phone No. 079-22901078 Email: invest_grievance@welcaststeels.com.

b) Any query relating to Dividend, Annual Reports etc.

Mr. S N Jetheliya,
Company Secretary
No.115-116, G.V.M.M. Estate,
Odhav Road, Odhav,
Ahmedabad – 382415, Gujarat.
Phone No. 079-22901078
Investors' related query mail to: invest_grievance@welcaststeels.com.

Details of Non-Compliance:

There was no non-compliance during the year and no penalty has been imposed or strictures passed on the Company by the Stock Exchanges, SEBI or Registrar of Companies (ROC). The Company has obtained a Certificate from Syed Shahabuddin, Practicing Company Secretary on Corporate Governance and is attached with this Report which will be sent to all the Shareholders of the Company. This certificate shall also be sent to all the concerned Stock Exchanges along with the Annual Report.

NON-MANDATORY REQUIREMENTS:

a) Chairman of the Board: Non-Executive Chairman heads the Board of the Company.

b) Shareholder Rights:

As the Quarterly, Half Yearly and Annual Results are published in leading newspapers having wide circulation, the same are not sent to the Shareholders of the Company individually.