

**Financial Statements
of**

**EARTHSTAHL & ALLOYS
PRIVATE LIMITED**

**FINANCIAL YEAR
2020-2021**

**A P A S & CO.
CHARTERED ACCOUNTANTS
B 35/5, KRISHNA RANJAN,
2nd FLOOR, SHAILENDRA NAGAR,
RAIPUR, C.G.**

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Independent Auditor's Report

To,
TO THE MEMBERS OF **EARTH STAHL & ALLOYS PRIVATE LIMITED**

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s EARTH STAHL & ALLOYS PRIVATE LIMITED (CIN: U27310CT2009PTC021487)** which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss for the year then ended, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Entity as at March 31st, 2021 and **PROFIT** and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process



Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 are given in the Annexure A on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except AS 15 regarding provision for gratuity, which has not been provided.
- e. On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, such reporting is not applicable to the company.



g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. Attention is invited to Note No 2.26 to the financial statements on contingent liabilities where the Company has disclosed the impact of pending litigations on its financial position in its financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Raipur, dated: 05 October 2021



For APAS & Co. LLP
Chartered Accountants
(FRN -000340C/C400308)

RAJDEEP SINGH
Partner
(Membership No. 415549)
UDIN-21415549AAAADT6305



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1.
 - A. The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.
 - B. The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - C. According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and acquired buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for inventories lying with third parties where confirmations have been received by the management, and no material discrepancies were noticed on physical verification.
3. The company has not granted any loan to parties covered in the registered maintained under section 189 of the companies Act 2013 "the Act".
4. According to information and explanation given to us and in our opinion the company has not given any loans, investment made, guarantees given or security covered U/S 185 or 186 of the companies Act-2013.
5. In our opinion and according to the information and explanations given to us the company has not accepted any deposit from public.
6. The maintenance of cost records mandated by the Central Government under section 148(1) of the Companies Act, 2013 are not applicable to the company.
7. (a) According to information and explanations given to us and the records examined by us, the company has generally been regular in depositing with appropriate authorities the amount deducted/accrued in the books of account except as mentioned under in respect of undisputed statutory dues including provident fund , investor education and protection fund,



employees' state insurance ,income tax , value added tax, wealth tax , custom duty, excise duty, cess and other statutory dues wherever applicable.

According to information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at March 31st, 2021, for a period of more than six months from the date they became payable.

(b) No dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which are not deposited as on 31st March 2021 on account of disputes.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks.
9. In our opinion and according to the information and explanations given to us, money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised or as per purposes revised with appropriate approvals, other than temporary deployment pending application of proceeds. The Company has neither raised any moneys by way of initial public offer / further public offer (including debt instruments) nor were such proceeds pending to be applied, during the current year.
10. According to the information and explanation given to us, no material fraud by the company, the company or on the company by its officers or employees has been noticed or reported during the course of audit.
11. According to the information and explanation given to us and based on our examination of the records of the company, the company has not paid /provided any managerial remuneration during the year
12. In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the company transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standard.
14. According to the information and explanations given to us and based on our examination of the records of the company the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the examination of the records of the company the company has not entered in to any non-



cash transaction with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.

16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Raipur, dated: 05 October 2021



For APAS & Co. LLP
Chartered Accountants
(FRN -000340C/C400308)

A handwritten signature in blue ink, appearing to read "Rajdeep Singh", written over a horizontal line.

RAJDEEP SINGH
Partner
(Membership No. 415549)
UDIN-21415549AAAADT6305

EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487

BALANCE SHEET AS AT 31st March 2021

Figures in Rs.

Particulars	Note	Amount as on 31-03-2021	Amount as on 31-03-2020
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	3,00,00,000	3,00,00,000
Reserves and Surplus	2.2	4,67,70,500	(1,19,41,394)
Non-current liabilities			
Long-Term Borrowings	2.3	11,94,32,147	13,10,95,000
Long term Provision	2.4	5,22,128	3,94,504
Current liabilities			
Short-Term Borrowings	2.5	1,55,75,312	2,35,75,973
Trade Payables	2.6	2,33,21,920	3,29,09,942
Other Current Liabilities & Provisions	2.7	4,61,01,412	6,06,00,927
TOTAL		28,17,23,418	26,66,34,953
ASSETS			
Non-current assets			
Fixed Assets			
Tangible Assets	2.8	15,84,47,161	16,24,50,592
-Intangible Assets		-	-
-Capital work-in-progress	2.8	24,03,592	19,68,266
Deferred Tax Assets	2.9	2,49,45,617	-
Long-Term Loans and Advances	2.10	2,78,72,411	2,89,34,577
Non-Current Investments	2.11	14,93,868	14,93,868
Current assets			
Inventories	2.12	3,63,59,729	4,96,05,013
Trade Receivables	2.13	83,90,472	67,72,616
Cash and Cash Equivalents	2.14	66,92,852	88,565
Short Term Loans & Advances	2.15	1,04,02,927	1,41,72,367
Other Current Assets	2.16	47,14,789	11,49,089
TOTAL		28,17,23,418	26,66,34,953
Significant Accounting Policies	1		
Notes on Accounts	2.1-2.37		

As per our report of even date attached herewith

For, A P A S & Co LLP

Chartered Accountants

FRN: 000340C/C400308

Rajdeep Singh

Rajdeep Singh

Partner

M. No. 415549

UDIN: 21415549AAAADT6305



For & behalf of the Board of Directors

Ravi Laddha

Ravi Laddha

Director

DIN-00008358

Pravin Somani

Pravin Somani

Director

DIN-01143972



Date: 05-10-2021

Place: Raipur

EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2021

Figures in Rs.

Particulars	Note	2020-21	2019-20
Revenue From Operations			
Revenue from Operations	2.17	24,11,70,039	31,65,46,931
Net Revenue from Operations		24,11,70,039	31,65,46,931
Other Income			
Interest Income	2.18	11,71,666	11,26,170
Other Income	2.18	34,10,898	4,85,222
Total Revenue		24,57,52,603	31,81,58,323
Expenses:			
Cost of Material Consumed	2.19	4,47,98,270	6,93,88,968
Purchases Stock in Trade		19,86,643	4,94,36,909
Change in Inventory	2.20	1,73,17,864	(2,69,92,105)
Production Related Direct Expenses	2.21	9,78,88,406	18,11,93,526
Employee Benefit Expenses	2.22	1,24,45,803	99,56,239
Finance costs	2.23	1,74,27,542	1,74,47,138
Depreciation expense	2.8	1,45,44,526	1,38,42,304
Other Expenses	2.24	55,77,274	70,08,263
Total Expenses		21,19,86,326	32,12,81,241
Profit before Exceptional Items and Tax		3,37,66,276	(31,22,918)
Exceptional Items		-	-
Profit before Tax		3,37,66,276	(31,22,918)
Tax expense:			
(1) Current tax		-	-
(2) Less: MAT Credit entitlement		-	-
(2) Deferred tax		2,49,45,617	-
Profit (Loss) for the period		5,87,11,894	(31,22,918)
Earnings per Equity Share			
Basic	2.25	19.57	(1.04)
Diluted		19.57	(1.04)
Significant Accounting Policies	1		
Notes on Accounts	2.1-2.37		

As per our report of even date attached herewith

For, A P A S & Co LLP
Chartered Accountants
FRN: 000340C/C400308

Rajdeep Singh

Partner

M. No. 415549

UDIN: 21415549AAAADT6305



Date: 05-10-2021

Place: Raipur

For & behalf of the Board of Directors

Ravi Laddha

Ravi Laddha

Director

DIN-00008358



Pravin Somani

Director

DIN-01143972


EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487
CASH FLOW STATEMENT FOR THE YEAR 2020-21

Figures in Rs.

Particulars	2020-21	2019-20
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax as per statement of P&L	3,37,66,276	(31,22,918)
Adjusted For:		
Depreciation Expenses	1,45,44,526	1,38,42,304
Finance Costs	1,74,27,542	1,74,47,138
Interest Income	(11,71,666)	(11,26,170)
Profit on Sale of Asset	(1,29,970)	
Operating Profit before Working Capital Changes	6,44,36,708	2,70,40,354
Adjusted For:		
Trade and Other Receivables	(16,17,855)	26,12,846
Short Term Loans & Advances	37,69,441	(80,81,101)
Inventories	1,32,45,284	(2,89,07,855)
Other Current Assets	(35,65,700)	(11,26,998)
Trade and Other Payables	(95,88,022)	62,40,465
Short Term Borrowings (Net)	(80,00,662)	1,09,43,521
Long term provisions	1,27,624	93,054
Other Current Liabilities	(1,44,99,515)	1,64,69,908
Cash Generated from Operations	4,43,07,302	2,52,84,194
B. CASH FLOW FROM INVESTING ACTIVITIES		
Net Purchase of Fixed Assets	(1,08,46,451)	(62,25,424)
Movement in Loans & Advances	10,62,166	(98,84,555)
Purchase of Investments	-	-
Net Cash from Investing Activities	(97,84,285)	(1,61,09,979)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Equity Capital Infusion	-	-
Long Term Borrowings(net)	(1,16,62,853)	70,70,000
Finance Cost	(1,74,27,542)	(1,74,47,138)
Interest Income	11,71,666	11,26,170
Capital Reserve	-	-
Net Cash from financing Activities	(2,79,18,729)	(92,50,968)
NET INCREASE IN CASH AND CASH EQUIVALENTS	66,04,288	(76,754)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	88,564	1,65,318
CL. BALANCE OF CASH AND CASH EQUIVALENTS	66,92,853	88,564

As per our report of even date attached herewith

For, A P A S & Co LLP
Chartered Accountants
FRN: 000340C/C400308


Rajdeep Singh
Partner
M. No. 415549
UDIN: 21415549AAAADT6305



For & behalf of the Board of Directors


Ravi Laddha
Director
DIN-00008358


Pravin Somani
Director
DIN-01143972



Date: 05-10-2021
Place: Raipur

EARTH STAHL & ALLOYS PRIVATE LIMITED

Note No 1: SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention and are prepared on accrual basis and in accordance with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates & assumptions that affect the reported amount of assets, liabilities including disclosure of contingent liabilities at the end of reporting period and revenue, expenses during the reporting period. Although such estimates and assumptions are made on a reasonable & prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are materialised.

C. Fixed Assets & Capital Work in Progress:

- a. Fixed Assets (Both Tangible and Intangible Assets) are stated at cost net of recoverable taxes less accumulated depreciation/amortization and impairment loss, if any.
- b. Capital Work in Progress: All indirect and direct expenditures including borrowing costs directly attributable to Projects under commissioning till the commencement of commercial production are carried at costs under Capital work in Progress. The trial run expenditures constituting of costs of manufacturing and cost of materials consumed reduced by any sales or income earned during the trial run period are capitalized along with other pre-operative expenditures incurred till the commencement of commercial production. The long term advances towards Capital Expenditures are shown under Long Term Advances.
- c. Incidental expenditure prior to construction like preliminary project expenditures and indirect expenses like corporate office administrative expense are charged as period costs in the financial year to which they pertain.

D. Depreciation and Amortization:

- a. As per the provisions of Companies Act, 2013, depreciation calculation has been done based on the Useful life given in the Schedule II of Companies Act, 2013.
- b. Depreciation on all assets pertaining to the manufacturing facility is provided on the '**Straight Line Method**' in the manner specified in Schedule II to the Companies Act 2013.
- c. Depreciation on additions to the Fixed Assets or on Assets sold, discarded, demolished is being provided on complete year basis.
- d. Assets costing up to Rs.5000/- are expensed out in the period they pertain to.
- e. Capital & Machinery spares procured with an item of fixed asset are depreciated along with the related plant and machinery.



E. Impairment of Assets:

The carrying amount of assets are reviewed at the balance sheet date and if there is any indication of impairment based on internal/external factors, an impairment loss will be recognized wherever the carrying amount of the assets exceeds its recoverable value.

F. Investment:

Current Investments are carried at lower of cost and quoted/fair value if any. Non Current Investments are stated at costs. Provision of diminution in the value of Non current investments is made only if the decline is other than temporary.

G. Inventories:

a. Finished Goods -

Cost of Inventories comprises of cost of purchases, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective location and condition. The items of finished goods and Semi Finished stock are measured at lower of cost and net realizable value.

b. Raw Materials, Stores and Spares and Other Consumables -

Raw Materials and Other Stores and Consumables are valued at average cost in bringing the goods to the place of its location and condition (Net of Refundable taxes and Duties)

c. By Products -

By products are valued at net realizable value.

H. Borrowing Cost

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset till the commencement of commercial production. The amounts of borrowing costs eligible for capitalization are determined in accordance with Accounting Standard 16 on Borrowing Costs. Other borrowing costs are recognized as an expense in the period in which they are incurred.

I. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations shall not include sale during trial run period. Expenses are accounted for on the accrual basis with necessary provisions of all the known liabilities and losses.

Revenue from operations includes sales of goods which is shown inclusive of excise duty and it excludes Taxes on Sales and is net of trade discounts, if any.

Interest Income on deposits is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

J. Provisions/Contingencies:

Provisions are determined based on the best estimate of the amount required to settle the obligation at the balance sheet date. The contingent liabilities, if any, are not recognized but are disclosed in the form of accounting notes. Contingent assets are neither recognized nor disclosed in the financial statements.

K. Provision for Current and Deferred Tax

- a. Provision for Current Tax is made on the basis of estimated taxable income (Considering MAT) for the current accounting period and in accordance with the provisions of the Income Tax Act, 1961.



- b. Deferred tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

L. Employee Retirement Benefits:

- a. Company's contribution to provident fund is recognized as an expense in the statement of Profit and Loss for the year in which the related service is rendered.
- b. The retirements benefits and long term employee benefits are recognized as expense in the relevant period at the present value of amounts payable determined using actuarial valuation techniques in accordance with AS -15. Currently no Earned leaves are accrued in the hands of Employees as on 31.03.2021 which needs recognition as employee retirement benefits in the accounting period 2020-21. Gratuity provision has been made in current year based on actuarial valuation.

M. Government Grants

- a. Recognition: Grants are recognized only when there is a reasonable assurance that the entity has complied with the relevant conditions to receive such grants and when there is a reasonable certainty that the ultimate collection will take place.
- b. Government Grants related to revenue (subsidies in interest, power costs and others) from State/Central and other Government undertakings is recognized in the profit & loss statement under "Other Income" in the respective period to match with the related costs in which they are intended to compensate.
- c. The government grants related to depreciable capital assets are presented in the balance sheet by way of showing the grant amount as a deduction from the gross value of related assets in arriving at their book value. The capital grants that are not specific to any assets are shown under Capital Reserves.

N. Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.



EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487
NOTES TO ACCOUNTS

Figures in Rs.

Note 2.1: SHARE CAPITAL

Particulars	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Authorised Equity Shares having nominal value of ₹ 10 each	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Issued, Subscribed & Paid Up Equity Shares having nominal value of ₹ 10 each	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Total	30,00,000	3,00,00,000	30,00,000	3,00,00,000

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

Reconciliation of the number of Shares Outstanding

Particulars	Equity Shares			
	As at 31 March 2021		As at 31 March 2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	3,00,00,000	30,00,000	3,00,00,000

Disclosure relating to shareholder holding more than 5% of the equity.

Name of Shareholder	Equity Shares			
	As at 31 March 2021		As at 31 March 2020	
	No. of Shares held	% to total holding	No. of Shares held	% to total holding
M/s Jaiguru Vintrade Private Limited	1060000	35.33%	1060000	35.33%
Shri Ravi Thakurdas Laddha	365000	12.17%	365000	12.17%
Rajesh Somani	355000	11.83%	355000	11.83%
Pravin Somani	247000	8.23%	247000	8.23%
M/s CG Metalik & Alloys P Ltd	240000	8.00%	240000	8.00%
M/s Aayush steel Co. Pvt. Ltd	185000	6.17%	185000	6.17%
M/s Somani Processors Pvt. Ltd	170000	5.67%	170000	5.67%



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.2: Reserves and Surplus

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Securities Premium Account		
Opening Balance	7,34,40,000	7,34,40,000
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised	-	-
Closing Balance	7,34,40,000	7,34,40,000
General Reserve	-	-
Capital Reserve		
Opening Balance	4,55,97,997	4,55,97,997
(+) Current Year Changes	-	-
Closing Balance	4,55,97,997	4,55,97,997
	4,55,97,997	4,55,97,997
Surplus (-Deficit)		
Opening balance	(13,09,79,391)	(12,78,56,473)
(+) Net Profit/(Net Loss) For the current year	5,87,11,894	(31,22,918)
(+) Transfer from Reserves	-	-
(-) Transfers	-	-
Closing Balance	(7,22,67,497)	(13,09,79,391)
Total	4,67,70,500	(1,19,41,394)

Note 2.3: Long-Term Borrowings

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Secured		
Term loans from NBFC'S		
Chhattisgarh Investments Ltd.	9,70,75,000	12,40,75,000
Less : Current maturity	(45,75,000)	(1,87,00,000)
Total	9,24,00,000	10,53,75,000

Security

The Term Loan and working capital loans are secured by way of Hypothecation of Movable Assets and equitable mortgage of immovable properties of the Company except the machinery and Vehicles acquired under hire Purchase agreement .

Terms of Repayment

1. The term loan amount of Rs 1320 Lacs is repayable in 120 monthly equal installments of Rs 11,00,000/- commencing from 30 April 2019

Unsecured

Loans and advances from related parties

Unsecured From Directors	1,53,50,000	78,50,000
Unsecured From Relatives of Directors	20,00,000	-
Unsecured from Bodies Corporate	96,82,147	1,78,70,000
Total	2,70,32,147	2,57,20,000

Terms of Repayment

The above unsecured loan is repayable after a period of two years from the Balance Sheet Date.

TOTAL LONG TERM BORROWINGS	11,94,32,147	13,10,95,000
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Note 2.4: Long term Provision

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Provision for gratuity	5,22,128	3,94,504
Total	5,22,128	3,94,504



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.5: Short-Term Borrowings

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Secured		
a) Loans repayable on demand		
Chhattisgarh Investments Limited	15,575,312	13,085,104
Terms and Security		
The Cash Credit Loan is secured by way of Hypothecation of Inventory and Trade receivables. Further the loan along with Term Loan from NBFC is secured by way of Equitable mortgage of immovable properties of the company		
OD in Current Account (against reconciliation)	-	10,490,870
Total	15,575,312	23,575,973

Note 2.6: Trade Payables

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Due on account of Goods Purchased & Services Received from Micro Small & Medium Enterprises	-	-
Due on account of Goods Purchased & Services Received	23,321,920	32,909,942
Total	23,321,920	32,909,942

Note 2.7: Other Current Liabilities & Provisions

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Current maturities of Long-Term Debt	4,675,000	18,700,000
Other Payables		
Audit Fees Payable	27,750	27,000
GST Payable	4,620,308	2,733,931
Taxes & Duties payable	1,912,252	1,837,318
Employee benefit payable	573,087	121,958
Outstanding liabilities for other expenses	3,049,575	1,418,483
Advance from Customers	13,433,133	8,693,470
Creditors for Capital goods	17,800,623	27,068,768
Provision for Gratuity	9,684	-
Total	46,101,412	60,600,927

Note 2.9: Deferred Tax Assets

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Opening Balance of Deferred Tax Asset/(Liability)	-	-
On Account of Loss	39,862,184	-
On Account of Depreciation	-15,064,517	-
On Account of Expenses disallowed u/s 40A(7)	147,950	-
On account of Difference of earlier year	-	-
Deferred Tax Assets/(Liability) for the year	24,945,617	-
Closing Balance of Deferred Tax Asset/(Liability)	24,945,617	-



EARTH STAHL & ALLOYS PRIVATE LIMITED

Note No 2.8: DEPRECIATION CHART AS PER COMPANIES ACT(ON SLM METHOD) AS ON 31-03-2021

Figures in ` Rs.

Fixed Assets	Rate	Gross Block				Accumulated Depreciation			NET BLOCK		
		Balance as at 1st April 2020	Additions	Disposals	Balance as at 31st March 2021	Balance as at 1st April 2020	Transfer of asset	Depreciation charge for the year	Balance as at 31st March 2021	Net Block as at 31st March 2021	Net Block at 31st March 2020
TANGIBLE ASSETS											
Own Assets											
Factory Land		62,77,226	-	-	62,77,226	-	-	-	-	62,77,226	62,77,226
Factory Shed & Building		6,03,99,367	-	-	6,03,99,367	-	-	27,51,136	1,83,88,948	4,20,10,420	4,47,61,556
Plant and Machinery		17,01,88,551	1,04,95,374	-	18,06,83,925	-	-	1,11,93,149	7,31,15,768	10,75,68,157	10,82,65,932
Office Equipments		3,61,155	32475	-	3,93,630	-	-	25,801	1,70,217	2,23,413	2,16,739
Computers		7,66,863	75143.18	-	8,42,006	-	-	69253.14433	7,30,285	1,11,721	1,05,831
Furniture & Fixture		31,15,882	3135.59	-	31,19,018	-	-	3,08,781	17,40,137	13,78,881	16,84,527
Vehicles		60,77,447	-	13,00,541	47,76,906	-	12,35,514	1,96,406	38,99,562	8,77,344	11,38,776
Total A		24,71,86,491	1,06,06,128	13,00,541	25,64,92,078	-	-	1,45,44,526	9,80,44,916	15,84,47,161	16,24,50,592
Previous Year		24,15,70,035	56,16,456	-	24,71,86,491	-	-	1,38,42,304	8,47,35,904	16,24,50,592	17,06,76,434
Capital Work In Progress											
Total B		19,68,266	4,35,326	-	24,03,592	-	-	-	-	24,03,592	19,68,266
*Previous Year		19,68,266	4,35,326	-	24,03,592	-	-	-	-	24,03,592	19,68,266
(* Previous Figures have been reclassified, Regrouped from Last Year)											
Total (A+B)		24,91,54,757	1,10,41,454	13,00,541	25,88,95,670	-	-	1,45,44,526	9,80,44,916	16,08,50,753	16,44,18,858
Previous Year		24,29,29,339	62,25,418	-	24,91,54,757	-	-	1,38,42,304	8,47,35,904	16,44,18,858	17,20,35,738



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.10: Long-Term Loans and Advances

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Capital Advances		
Unsecured and considered good	34,00,000	34,00,000
	34,00,000	34,00,000
Security Deposits		
(Secured, Considered Good)	-	-
(Unsecured, Considered Good)	2,30,21,460	2,47,95,552
	2,30,21,460	2,47,95,552
c. Other Loans and advances		
<u>Unsecured and considered good</u>		
GST Receivable	8,55,139	10,208
TDS & TCS Receivable	5,95,812	7,28,817
	14,50,951	7,39,025
Total:	2,78,72,411	2,89,34,577

Note 2.11: Non Current Investments

Particular	Amount as on 31- 03-2021	Amount as on 31-03-2020
Deposit with Bank (Maturity more than 12 months)	13,20,000	13,20,000
Other Non-Trade		
a. Investment	-	-
b. Equity Instruments (fully paid up-unless otherwise stated)		
Quoted		
- Mutual Fund	-	-
- Equity Share (Mphasis Limited 150 Shares(PY 150))	1,73,868	1,73,868
Unquoted	-	-
Total	14,93,868	14,93,868

Note 2.12: Inventories

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
a. Raw Materials (Valued at Average Cost)	1,35,07,547	1,04,78,545
b. Finished goods (Valued at Lower of Cost or NRV)	1,78,57,270	3,49,27,354
c. Semi Finished Goods (Valued at Lower of Cost or NRV)	68,559	-
d. Stock in Trade (Valued at Lower of Cost or NRV)	4,69,980	7,86,318
e. Stores and Consumables (Valued at Average Cost)	37,43,252	29,04,391
f. Stock of Foundry Rejects (Valued at NRV)	7,13,122	5,08,404
Total	3,63,59,729	4,96,05,013

Note 2.13: Trade Receivables

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Trade receivables outstanding for a period less than six months		
Unsecured, considered good	43,53,383	67,72,616
Trade receivables outstanding for a period more than six months		
Unsecured, considered good	40,37,088	-
Total	83,90,472	67,72,616



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.14: Cash and Cash Equivalents

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
a. Cash and cash equivalents		
Cash in hand	78,227	55,226
Balances with banks	66,14,625	33,338
Total	66,92,852	88,565

Note 2.15: Short Term Loans & Advances

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Unsecured, Considered Good		
Loans & Advances to Related Parties	-	-
Advance to Staff	1,84,674	58,200
Advances with Others	38,252	38,252
Balances with Tax Authorities	2,28,837	2,28,837
Advance to Suppliers	99,51,163	1,38,47,078
Total	1,04,02,927	1,41,72,367

Note 2.16: Other Current Assets

Particulars	Amount as on 31-03-2021	Amount as on 31-03-2020
Security Deposit with CSPDCL	44,12,288	-
Other Current Assets	2,70,862	11,15,736
Prepaid Expenses	31,639	33,353
Total	47,14,789	11,49,089

Note 2.17: Revenue From Operations

Particulars	2020-21	2019-20
Revenue from Operations		
A: Sale of Products		
Manufactured Goods (SAF)	18,31,79,473	26,02,73,578
Manufactured Goods (foundry)	5,40,98,739	52,99,400
Total	23,72,78,211	26,55,72,978
Traded Goods Sales	34,23,847	5,09,49,153
B: Revenue from Services		
Other Direct Income	4,67,980	24,800
Grand Total	24,11,70,039	31,65,22,131

Note 2.18: Other Income

Particulars	2020-21	2019-20
Interest Income	11,71,666	11,26,170
Other Income	34,10,898	4,85,222
Total	45,82,564	16,11,392

Note 2.19: Cost of Material Consumed

Particulars	2020-21	2019-20
Consumption:		
Consumption of Raw Materials (SAF)	2,63,27,045	5,99,63,722
Consumption of Raw Materials (Foundry)	1,84,71,226	94,25,245
Consumption of Raw Materials (Ferrous waste + coke)	-	-
Total	4,47,98,270	6,93,88,968

Details of Major Raw Material Consumed (constituting more than 10% of total consumption)

RM with Iron Content	3,23,70,207	3,43,59,458
RM with Carbon Content	1,21,91,841	3,45,68,752
RM with Other Content	2,36,223	4,60,757



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note2.20: Changes in Inventories of Finished Goods and WIP

Particulars	2020-21	2019-20
Inventory at the beginning of the year		
Finished Goods (Valued at Lower of Cost or NRV)	1,41,12,008	71,57,990
Semi Finished Goods	-	1,04,221
Traded Goods (Valued at Lower of Cost or NRV)	7,86,318	4,08,868
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	1,33,860	-
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	2,06,81,486	10,50,488
	3,57,13,672	87,21,567
Inventory at the end of the year		
Finished Goods CI Limps (Valued at Lower of Cost or NRV)	47,46,424	1,41,12,008
Stock of Traded goods	4,69,980	7,86,318
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	1,33,860	1,33,860
Semi Finished Goods	68,559	-
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	1,29,76,986	2,06,81,486
	1,83,95,809	3,57,13,672
(Increase)/Decrease In Inventory	1,73,17,864	(2,69,92,105)

Note2.21: Production Related Direct Expenses

Particulars	2020-21	2019-20
Power Charges	7,23,60,467	14,31,78,530
Production & Handling Charges	74,31,920	1,65,44,819
Consumption of Stores & Consumables	1,80,96,018	2,14,70,177
Grand Total	9,78,88,406	18,11,93,526

Note2.22: Employee Benefit Expenses

Particulars	2020-21	2019-20
Salary & Wages	1,14,00,119	90,33,066
Contribution to Provident and Other Funds	9,04,271	7,74,158
Staff Welfare expenses	1,41,413	1,49,015
Total	1,24,45,803	99,56,239

Note2.23: Finance costs

Particulars	2020-21	2019-20
Interest expenses	1,74,03,683	1,73,60,870
Bank Charges	23,859	86,268
Total	1,74,27,542	1,74,47,138

Note2.24: Other Expenses

Particulars	2020-21	2019-20
Administrative and Establishment Expenses		
Audit Fees	30,000	30,000
Administrative Expenses	39,23,370	43,99,528
Selling Expenses	11,01,922	25,78,735
Prior Period expenses	5,21,981	-
Total	55,77,274	70,08,263



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.25: Earnings per Equity Share

Particulars	2020-21	2019-20
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	5,87,11,894	(31,22,918)
Weighted Average number of equity shares for Earnings per Share computation	30,00,000	30,00,000
1. For Basic Earnings per Share of ₹ 10 each	30,00,000	30,00,000
2. For Diluted Earnings per Share of ₹ 10 each	30,00,000	30,00,000
Earnings per Share		
Basic	19.57	(1.04)
Diluted	19.57	(1.04)

Note 2.26 Contingent Liabilities and Commitments

Nature of Transactions	2020-21	2019-20
Contingent Liabilities		
Contingent Liability not provided for in respect of :-		
Employee Provident Fund (The Honourable Supreme court has passed a decision on 28th February 2019 in relation to the inclusion of certain allowances within the scope of "Basic Wages" for the purpose of determining the contribution to Provident Fund under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of judgement on the Company, with respect to the period and the nature of allowances to be covered and the resultant impact on the past provident fund liability cannot be reasonably ascertained, at present)	Amount unascertainable	Amount unascertainable
Guarantee :-		
Bank Guarantees issued	13,20,000	-
Guarantees to Bank & Financial Institutions against credit facilities extended to third parties		
(a) In respect of joint ventures	NIL	NIL
(b) In respect of others	NIL	NIL
Other Money for which the company is contingently liable	NIL	NIL
Commitments		
Total	13,20,000	-

Note 2.27 RELATED PARTY TRANSACTIONS

(A) Key Management Personnel & Their Relative

1. Rajesh Somani	Director
2. Prawin Somani	Director
3. Shri Ravi Laddha	Director
4. Padma Somani	Relative of KMP
5. Anju Somani	Relative of KMP
6. Swati Laddha	Relative of KMP
7. Anuj Saboo	Relative of KMP
8. Ravi Laddha HUF	Related to KMP



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

(B) Enterprise over which Key Management Personnel & Their Relative have control

1. Ayush Steel Co P Ltd
2. Shree Balaji Iron and Steel Traders
3. Somani Processors P Ltd
4. CG Metalik & Alloys P Ltd
5. Moshvarya Infrastructure Ltd
- 6 Jaiguru Vintrade Pvt.Ltd

Transaction with Related Parties

(Amount in Rs.)

Nature of Transactions	2020-21	2019-20
Transactions With (A) above		
- Loan received	95,00,000	36,00,000
- Loan repaid	-	12,00,000
- Expense made on behalf of company	2,82,133	4,03,826
- Expense Amount Reimbursed	2,07,878	2,04,620
- Interest expense on Loan taken	56,869	-
Transactions With (B) above		
- Trading receipt		-
- Advance received	80,00,000	1,81,70,000
- Advance paid back	1,65,16,000	12,06,557
- Purchase of Goods and services	10,09,888	10,57,218
- Interest on unsecured loan taken	14,76,246	45,185
Balance with (A) Above		
- Loans & Advances Payable	1,74,06,869	69,50,000
- Other Payables	4,55,760	5,45,134
Balance with (B) Above		
- Loans & Advances Payable	1,07,60,194	1,78,70,000
- Other Payables	4,44,427	40,666

Note 2.28 PAYMENTS TO AUDITORS

1. Statutory Audit Fees	30,000	30,000
3. Tax Audit, Certification and Other Fees	25,000	57,000
Total	55,000	87,000

Note 2.29 The balances of certain Debtors, Creditors, Loans & Advances are subject to external confirmation. In the opinion of the management, the Current Assets, Loans & Advances have a realizable value which is in the ordinary course of business at least equal to the amount at which they are stated unless indicated elsewhere in the document.

Note 2.30 In the opinion of the management, there are no such events occurred after the date of Balance Sheet of material value which needs disclosure in the accounts.



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.31 Currently no Earned leaves are accrued in the hands of Employees as on 31.03.2021 which needs recognition as employee retirement benefits in the accounting period 2020-21 as company is not having policy of accumulating Earned leave. All such utilised leave are lapsed at the end of year. Gratuity provision has been made in current year on the basis of Actuarial valuation report.

Provision has been made for Employees Benefits i.e. Gratuity and

Summary of membership data at the date of valuation and statistics based thereon:

Period	As on 31.03.2021	As on 31.03.2021
Number of employees	32	-
Total monthly salary	3,18,280	-
Average Past Service(Years)	3.31	-
Average Future Service (yr)	33.92	-
Average Age(Years)	26.08	-
Weighted average duration (based on discounted cash flows) in	15.26	-
Average monthly salary	9946	-

The assumptions employed for the calculations are tabulated:	As on 31.03.2021	As on 31.03.2021
Discount rate	7.12% per annum	-
Salary Growth Rate	7.00% per annum	-
Mortality	IALM 2012-14	-
Expected rate of return	0	-
Withdrawal rate (Per Annum)	5.00% pa	-

Benefits valued:	As on 31.03.2021	As on 31.03.2021
Normal Retirement Age	60 Years	-
Salary for Gratuity	Last drawn qualifying salary	-
Vesting Period for Gratuity	5 Years of service	-
Benefits on Normal Retirement for Gratuity	15/26 * Salary * Past Service (yr).	-
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	-

Current Liability (*Expected payout in next year as per schedule III of the Companies Act, 2013) :

Period	As on 31.03.2021	As on 31.03.2021
Current Liability (Short Term)	9,684	-
Non Current Liability (Long Term)	5,22,128	-
Total Liability	5,31,812	-

Note 2.32 The company has not received any memorandum (as required to be filed by the suppliers with the notified Authority under the MSMED Act 2006) claiming their status as on 31st March 2021 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is NIL.

Note 2.33 Other Disclosures

1) Value of Imports calculated on CIF basis by the Company during the Financial year in respect of Raw Material, Components and Capital Goods	55992
2) Expenditure in Foreign Currency during the FY on account of Royalty Know How, Professional and Consultation fees, Interest and other matters	NIL
3) Total Value of all Imported Raw Materials, Spare Parts and Consumables consumed	55992
4) Amount remitted in Forex as Dividends	NIL
5) Earnings in Foreign Exchange	NIL



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.34

The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts;(ii) onerous obligations;(iii) penalties relating to breaches of service-level agreements, and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

Note 2.35 No disclosure has been made for Segment reporting as per AS 17, as the company has only one segment of business in the current year.

Note 2.36 During the year the Company has recognised Deferred tax Asset as company is certain about earning sufficient taxable income in near future.

Note 2.37 Balances have been regrouped and reclassified as per the requirements of Schedule III of Companies Act 2013.

As per our report of even date attached herewith

For, A P A S & Co LLP
Chartered Accountants
FRN: 000340C/C400308


Rajdeep Singh
Partner

M. No. 415549

UDIN: 21415549AAAADT6305



Date: 05-10-2021

Place: Raipur

For & behalf of the Board of Directors



Ravi Laddha
Director
DIN-00003358


Pravin Somani
Director
DIN-01143972



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CIN - U27310CT2009PTC021487



earthStahl

Earth Stahl & Alloys Pvt. Ltd.

Date: 31.08.2021

APAS& Co.,
Chartered Accountants,
Raipur (C.G.)

Sub.: Management Representation & Certificates for audit of our company for the financial year 2020-21.

Dear Sir,

We are submitting herewith required information and certification for the statutory Audit of our company.

1. **Directors Disqualification:** We certify that none of the directors is disqualified as on 31st March 2021 from being appointed as a Director in terms of the Companies Act, 2013.
2. **Related Party Transaction:** We certify that company has made disclosure of all related party & Transaction with related party covered under AS-18 'Related party disclosure' by way of notes to accounts.
3. **Compliances of Accounting Standards:** We certify that in preparation of financial statement all applicable Accounting Standards as prescribed under Companies Act have been followed except otherwise reported by Statutory Auditors.
4. **Contingent Liabilities:** We certify that Contingent Liabilities, if any are given into Notes to Accounts. Except this no any contingent liability exist to the company as on 31-03-21.
5. **Provisions, Revenue Recognitions:** This is to certify that all known liabilities have been provided for in the books of accounts. Expenditure relating to earlier and subsequent period has been separately disclosed as prior period and prepaid expenses in the financial statement. All revenue has been generally recognized on accrual basis.
6. **Balances in Various Accounts:** Balances under various personal accounts like Sundry Creditors, , Advances to Staff/Officers, other Advances, other recoverable etc. having external confirmations are not available from respective parties however we certify that balances shown in the balance sheet represents realizable value/amount payable to the parties.
7. **Impairment of Assets:** We certify that there is not any impairment loss on fixed assets as on 31-03-2021 in terms of AS-28 'Impairment of Assets' Carrying amount (Book Value) of all the fixed assets appearing in the Balance Sheet represents at least equal to its recoverable value as on 31-03-2021.
8. **Income from Investment:** We certify that there is no Income from Investment for the year ended on 31-03-2021.

Contd...2..

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Ph. : 8120009625
CIN - U27310CT2009PTC021487



earthStahl

Earth Stahl & Alloys Pvt. Ltd.

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9. **Cash Balance:** Cash Balance with the company as on 31-03-2021 was Rs. 78,227/-.
10. **Leave Encashment and Gratuity:** We certify that currently there are no Earned leaves that have accrued in the hands of Employees as on 31.03.2021 which needs recognition as employee retirement benefits in the accounting period 2020-21. Provision of Gratuity has been made on the basis of Actuarial valuation.
11. **MSMED Act:** We certify that the company has not received any memorandum from any vendor (as required to be filed by the suppliers with the notified Authority under the MSMED Act 2006) claiming their status as on 31st March 2021 as micro, small or medium enterprises. The amount paid/payable to these parties during the year is NIL.
12. **Closing Stock:** Closing Finished stock has been physically verified at the year end i.e. as on 31-03-2021 & has been valued at cost being lower among the two variables i.e. Cost & NRV including duties, cess and incidental expenses except GST for which input credit has been availed. The value of closing stock as on 31-03-2021 is as follows:-

Sr. No.	Particulars	Amount in Rs.
1	Finished Goods	1,78,57,270/-
2	Raw Materials	1,35,07,547/-
3	Store Consumable	37,43,252/-
4	Trading Goods	4,69,980/-
5	Semi Finished goods	68.559/-
6	Foundry Rejects	7,13,122/-
TOTAL		3,63,59,729/-

Thanking you,

Yours faithfully,
For EARTH STAHL & ALLOYS PVT. LTD.,

(Ravi Laddha)
Director
DIN-00008358

(Prawin Somani)
Director
DIN-01143972

