

Financial Statements of

EARTHSTAHL & ALLOYS PRIVATE LIMITED

FINANCIAL YEAR
2021-2022

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

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INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **M/s EARTH STAHL & ALLOYS PRIVATE LIMITED (CIN: U27310CT2009PTC021487)** which comprise the balance sheet as at 31st March 2022, and the statement of Profit and Loss and 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 the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its **Profit** and its cash flows for the year ended on that date,

Basis for Opinion

We conducted our audit in accordance with the Accounting Standards (AS) 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 thereunder, 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 auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance 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 (AS) 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 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 statements 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 Responsibilities 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:

- 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.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 standalone 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to financial statements 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. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements—Refer Note 2.28
 - 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.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v. No dividend have been declared or paid during the year by the company.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act, In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section



197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For, **APAS & CO LLP**
Chartered Accountants
FRN: 000340C/C400308



[RAJDEEP SINGH]
Partner

M.NO . : 415549

UDIN- 22415549A0FZAV7919

Date: 15/07/2022

Place: Raipur



Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventories have been physically verified during the year by the management in our opinion, the frequency of verification is reasonable.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms, limited liability partnership or any other parties. Accordingly, clause 3(iii)(a) and clause 3(iii)(c) to clause 3(iii)(f) of the Order are not applicable to the Company
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 and 186 of the Companies Act, 2013. Accordingly, clause 3(iv) of the Order is not applicable
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable



(vi) The maintenance of cost records under section 148(1) of the Companies Act, 2013 are applicable to the company and we have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained."

(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no statutory dues referred to in sub-clause (a) that have not been deposited on account of any dispute.

viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the company.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary as defined under Companies Act, 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act, 2013.



- (x)(a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company
- (xii) The company is not a Nidhi Company. Therefore, clause xii is not applicable on the company.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements
- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,
- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given by the management, the Group does not have any CIC as part of the Group.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however,



state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- (xx) Based on our examination, the provision of section 135 of the Companies Act, 2013 related to Corporate Social Responsibility are not applicable on the company. Hence clause 3(xx) of the Order is not applicable to the company.

For, **APAS & CO LLP**
Chartered Accountants
FRN: 000340C/C400308



[RAJDEEP SINGH]
Partner

M.NO . : 415549

UDIN- 22415549A0F2AV9919

Date: 15/07/2022

Place: Raipur

EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487

BALANCE SHEET AS AT 31st March 2022

Amount in '000

Particulars	Note	Amount as on 31-03-2022	Amount as on 31-03-2021
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	30,000	30,000
Reserves and Surplus	2.2	1,21,678	46,770
Non-current liabilities			
Long-Term Borrowings	2.3	1,14,441	1,19,432
Long term Provision	2.4	961	522
Deferred Tax Liabilities	2.10	9,486	-
Current liabilities			
Short-Term Borrowings	2.5	26,494	20,250
Trade Payables	2.6	36,151	23,322
Short-term provision	2.7	4,632	10
Other Current Liabilities & Provisions	2.8	20,034	41,417
TOTAL		3,63,877	2,81,723
ASSETS			
Non-current assets			
Fixed Assets			
-Plant Property & Equipments	2.9	1,59,515	1,58,447
-Intangible Assets		-	-
-Capital work-in-progress	2.9	52,126	2,404
Deferred Tax Assets	2.10	-	24,946
Long-Term Loans and Advances	2.11	9,110	4,851
Non-Current Investments	2.12	1,454	1,494
Other Non- current assets	2.13	26,646	27,434
Current assets			
Inventories	2.14	95,973	36,360
Trade Receivables	2.15	5,638	8,390
Cash and Cash Equivalents	2.16	1,419	6,693
Short Term Loans & Advances	2.17	11,340	10,403
Other Current Assets	2.18	655	303
TOTAL		3,63,877	2,81,723
Significant Accounting Policies	1		
Notes on Accounts	2.1-2.46		

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: 22415549

Date: 15-07-2022

Place: Raipur



For & behalf of the Board of Directors

Ravi Laddha

Ravi Laddha

Director

DIN-00008358

Pravin Somani

Pravin Somani

Director

DIN-01143972



EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2022

Amount in '000

Particulars	Note	Amount as on 31-03-2022	Amount as on 31-03-2021
Revenue From Operations			
Revenue from Operations	2.19	4,88,750	2,41,170
Net Revenue from Operations		4,88,750	2,41,170
Other Income			
Interest Income	2.20	1,240	1,172
Other Income	2.20	763	3,411
Total Income		4,90,754	2,45,753
Expenses:			
Cost of Material Consumed	2.21	1,33,383	44,798
Purchases Stock in Trade		17,966	1,987
Change in Inventory	2.22	(28,473)	17,318
Production Related Direct Expenses	2.23	1,93,257	97,888
Employee Benefit Expenses	2.24	23,764	12,446
Finance costs	2.25	11,987	17,428
Depreciation expense	2.9	15,145	14,545
Other Expenses	2.26	14,385	5,577
Total Expenses		3,81,415	2,11,986
Profit before Exceptional Items and Tax		1,09,339	33,766
Exceptional Items		-	-
Profit before Tax		1,09,339	33,766
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(34,432)	24,946
Profit (Loss) for the period		74,907	58,712
Earnings per Equity Share	2.27		
Basic		24.97	19.57
Diluted		24.97	19.57
Significant Accounting Policies	1		
Notes on Accounts	2.1-2.46		

As per our report of even date attached herewith

For, A P A S & Co LLP
Chartered Accountants
FRN: 000340C/6400308

Rajdeep Singh

Partner

M. No. 415549

UDIN: 22415549

Date: 15-07-2022

Place: Raipur



For & behalf of the Board of Directors

Ravi Laddha

Ravi Laddha
Director
DIN-00008358

Pravin Somani

Pravin Somani
Director
DIN-01143972



EARTHSTAHL & ALLOYS PRIVATE LIMITED
CIN: U27310CT2009PTC021487
CASH FLOW STATEMENT FOR THE YEAR 2021-22

Amount in '000

Particulars	2021-22		2020-21	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per statement of P&L		1,09,339		33,766
Adjusted For:				
Depreciation Expenses	15,145		14,545	
Finance Costs	11,987		17,428	
Interest Income	(1,240)		(1,172)	
Profit on Sale of Asset	(773)		(130)	
Operating Profit before Working Capital Changes		1,34,459		64,437
Adjusted For:				
Trade and Other Receivables	2,753		(1,618)	
Short Term Loans & Advances	(937)		3,769	
Inventories	(59,613)		13,245	
Other Current Assets	(353)		(3,566)	
Trade and Other Payables	12,830		(9,588)	
Short Term Borrowing	6,244		(8,001)	
Long term provisions	439		128	
Short term provision	4,622		-	
Other Current Liabilities	(21,383)		(14,500)	
Cash Generated from Operations		79,060		44,307
B. CASH FLOW FROM INVESTING ACTIVITIES				
Net Purchase of Fixed Assets	(65,163)		(10,846)	
Movement in Loans & Advances	(4,259)		1,062	
Purchase of Investments	40		-	
Other Non Current Asset	787		-	
Net Cash from Investing Activities		(68,595)		(9,784)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Equity Capital Infusion	-		-	
Long Term Borrowings(net)	(4,991)		(11,663)	
Finance Cost	(11,987)		(17,428)	
Interest Income	1,240		1,172	
Capital Reserve	-		-	
Net Cash from financing Activities		(15,739)		(27,919)
NET INCREASE IN CASH AND CASH EQUIVALENTS		(5,273)		6,604
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		6,693		88
CL. BALANCE OF CASH AND CASH EQUIVALENTS		1,419		6,693

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: 22415

Date: 15-07-2022

Place: Raipur



For & behalf of the Board of Directors

Ravi Laddha

Ravi Laddha
Director
DIN-00008358

Pravin Somani

Pravin Somani
Director
DIN-01143972



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 for the current accounting period and in accordance with the provisions of section -115BAA 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 31.03.2022 which needs recognition as employee retirement benefits in the accounting period 2021-22.

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
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Amount in Rs. '000

Note 2.1: SHARE CAPITAL

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number	Amount in '000	Number	Amount in '000
Authorised Equity Shares having nominal value of ` 10 each	30,00,000	30,000	30,00,000	30,000
Issued, Subscribed & Paid Up Equity Shares having nominal value of ` 10 each	30,00,000	30,000	30,00,000	30,000
Total	30,00,000	30,000	30,00,000	30,000

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 2022		As at 31 March 2021	
	Number	Amount in '000	Number	Amount in '000
Shares outstanding at the beginning of the year	30,00,000	30,000	30,00,000	30,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	30,000	30,00,000	30,000

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

Name of Shareholder	Equity Shares			
	As at 31 March 2022		As at 31 March 2021	
	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	413000	13.77%	365000	12.17%
Rajesh Somani	427000	14.23%	355000	11.83%
Pravin Somani	319000	10.63%	247000	8.23%
M/s CG Metalik & Alloys P Ltd	-	-	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%

Disclosure relating to shareholding of Promoter at 31 March,2022.

Promoter Name	No. of Shares	% of Total Shares	% change during the year
M/s Jaiguru Vintrade Private Limited	1060000	35.33%	0.00%
Shri Ravi Thakurdas Laddha	413000	13.77%	1.60%
Rajesh Somani	427000	14.23%	2.40%
Pravin Somani	319000	10.63%	2.40%
M/s CG Metalik & Alloys P Ltd	-	0.00%	-8.00%
M/s Aayush steel Co. Pvt. Ltd	185000	6.17%	0.00%
M/s Somani Processors Pvt. Ltd	170000	5.67%	0.00%
Anju Pravin Somani	20000	0.67%	0.00%
Ravi Thakurdas Ladhha HUF	18000	0.60%	0.00%



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Note 2.2: Reserves and Surplus

Amount in Rs. '000

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Securities Premium Account		
Opening Balance	73,440	73,440
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised	-	-
Closing Balance	73,440	73,440
General Reserve		
	-	-
Capital Reserve		
Opening Balance	45,598	45,598
(+) Current Year Changes	-	-
Closing Balance	45,598	45,598
	45,598	45,598
Surplus (-Deficit)		
Opening balance	(72,267)	(1,30,979)
(+) Net Profit/(Net Loss) For the current year	74,907	58,712
(+) Transfer from Reserves	-	-
(-) Transfers	-	-
Closing Balance	2,640	(72,267)
Total	1,21,678	46,770

Note 2.3: Long-Term Borrowings

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Secured		
<u>Term loans from NBFC'S</u>		
Chhattisgarh Investments Ltd.	76,175	97,075
Less : Current maturity	-	(4,675)
	76,175	92,400
HDFC BANK LTD- HYDRA		
Less : Current maturity	1,305	-
	(356)	-
	949	-
Mahindra and mahindra financial service		
Less : Current maturity	701	-
	(292)	-
	409	-
Union Bank of India		
Less : Current maturity	1,892	-
	(229)	-
	1,663	-
Total	79,196	92,400



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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	25,881	15,350
Unsecured From Relatives of Directors	2,000	2,000
Unsecured from Bodies Corporate	7,364	9,682
Total	35,245	27,032

Terms of Repayment

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

TOTAL LONG TERM BORROWINGS	1,14,441	1,19,432
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Note 2.4: Long term Provision

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Provision for gratuity	961	522
Total	961	522

Note 2.5: Short-Term Borrowings

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Current maturities of Long-Term Debt	877	4,675
Secured		
Loans repayable on demand		
Chhattisgarh Investments Limited	25,617	15,575

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)	-	-
Total	26,494	20,250



Note 2.6: Trade Payables

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Due on account of Goods Purchased & Services Received from Micro Small & Medium Enterprises	-	-
Due on account of Goods Purchased & Services Received	36,151	23,322
Total	36,151	23,322

Disclosure related to trade payable ageing schedule in FY 2021-22

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 more than 3 year	
MSME	-	-	-	-	-
Others	32,931	7	145	250	36,091
Disputed - MSME	-	-	-	-	-
Disputed - Other	-	-	-	60	60
Total :	32,931	7	145	250	36,151

Disclosure related to trade payable ageing schedule in FY 2020-21

Particulars	Outstanding for the following periods from due date of payment				Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 more than 3 year	
MSME	-	-	-	-	-
Others	21,904	124	1,065	13	23,322
Disputed - MSME	-	-	-	-	-
Disputed - Other	-	-	-	-	-
Total :	21,904	124	1,065	13	23,322



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Amount in Rs. '000

Note 2.7: Short term provision

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Provision for doubtful debt	4,617	-
Provision for Gratuity	15	10
Total:	4,632	10

Note 2.8: Other Current Liabilities & Provisions

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
<u>Other Payables</u>		
Audit Fees Payable	45	28
GST Payable	4,902	4,620
Taxes & Duties payable	1,542	1,912
Employee benefit payable	1,160	573
Outstanding liabilities for other expenses	1,972	3,050
Advance from Customers	4,181	13,433
Overdraft in Bank Account	6,232	-
Creditors for Capital goods	-	17,801
Total:	20,034	41,417

Note 2.10: Deferred Tax Assets

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Opening Balance of Deferred Tax Asset/(Liability)	24,945.62	-
On Account of Loss	2,304.00	39,862.18
On Account of Deprecation	-13,440.00	-15,064.52
On Account of Expenses disallowed u/s 40A(7)	1,650.00	147.95
On account of Difference of earlier year	-	-
Deferred Tax Assets/(Liability) for the year	34,431.62	24,945.62
Closing Balance of Deferred Tax Asset/(Liability)	-9,486.00	24,945.62

Note 2.11: Long-Term Loans and Advances

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
a. Capital Advances		
Unsecured and considered good		3,400
	-	3,400
b. Other Loans and advances		
<u>Unsecured and considered good</u>		
GST Receivable	711	855
Advance Taxes Paid	7,500	-
TDS & TCS Receivable	899	596
	9,110	1,451
Total:	9,110	4,851



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Amount in Rs. '000

Note 2.12: Non Current Investments

Particular	Amount as on 31-03-2022	Amount as on 31-03-2021
Deposit with Bank (Maturity more than 12 months)	1,320	1,320
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))		174
(TCS Limited 36 Shares(PY Nil))	134	
Unquoted	-	-
Total:	1,454	1,494

Note 2.13: Other non-current asset

Particular	Amount as on 31-03-2022	Amount as on 31-03-2021
Security Deposits (Secured, Considered Good)		-
(Unsecured, Considered Good)	26,646	27,434
Total:	26,646.35	27,434

Note 2.14: Inventories

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
a. Raw Materials (Valued at Average Cost)	41,669	13,508
b. Finished goods (Valued at Lower of Cost or NRV)	46,082	17,857
c. Semi Finished Goods (Valued at Lower of Cost or NRV)	92	69
d. Stock in Trade (Valued at Lower of Cost or NRV)	695	470
e. Stores and Consumables (Valued at Average Cost)	5,903	3,743
f. Stock of Foundry Rejects (Valued at NRV)	1,533	713
Total:	95,973	36,360



Note 2.15: Trade Receivables

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Trade receivables outstanding for a period less than six months Unsecured, considered good	4,296	4,353
Trade receivables outstanding for a period more than six months Unsecured, considered good	1,341	4,037
Total	5,638	8,390

Details of ageing of trade receivables as on 31-03-2022:

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
Undisputed trade receivable -Considered good	4,296	171	-	-	-	4,467
Undisputed trade receivable -Considered Doubtful	-	1,062	-	-	108	1,170
Disputed trade receivable -Considered good	-	-	-	-	-	-
Disputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Total :	4,296	1,233	-	-	108	5,638

Details of ageing of trade receivables as on 31-03-2021:

Particulars	Outstanding for the following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	more than 3 year	
Undisputed trade receivable -Considered good	2,764	4,713	805	-	108	8,390
Undisputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Disputed trade receivable -Considered good	-	-	-	-	-	-
Disputed trade receivable -Considered Doubtful	-	-	-	-	-	-
Total :	2,764	4,713	805	-	108	8,390



EARTH STAHL & ALLOYS PRIVATE LIMITED

Note No 2.9: DEPRECIATION CHART AS PER COMPANIES ACT (ON SLM METHOD) AS ON 31-03-2022

Fixed Assets	Rate	Gross Block			Balance as at 31st March 2022	Accumulated Depreciation Transfer of asset	Depreciation charge for the year	Balance as at 31st March 2022	NET BLOCK	
		Balance as at 1st April 2021	Additions	Disposals					Balance as at 31st March 2022	Net Block as at 31st March 2022
TANGIBLE ASSETS										
Own Assets										
Factory Land		6,277	6,279	364	12,192	-	-	-	12,192	6,277
Factory Shed & Building		60,399	2,548	-	62,947	-	2,913	21,301	41,646	42,010
Plant and Machinery		1,80,684	8,706	4,800	1,84,590	456	11,286	83,945	1,00,644	1,07,568
Office Equipments		394	235	-	629	170	48	218	411	223
Computers		842	140	-	982	730	90	821	162	112
Furniture & Fixture		3,119	-	-	3,119	1,740	247	1,987	1,132	1,379
Vehicles		4,777	3,081	1,357	6,501	3,900	562	3,172	3,328	877
Total A		2,56,492	20,989	6,522	2,70,960	98,045	15,145	1,11,445	1,59,515	1,58,447
Previous Year		2,41,570	10,606	1,301	25,64,92,078	84,736	14,545	84,736	1,58,447	1,62,451
Capital Work In Progress		2,404	144	2,548	0	-	-	-	-	2,404
Total B		2,404	53,799	1,673	52,126	-	-	-	52,126	-
*Previous Year		1,359	53,944	4,221	52,126	-	-	-	52,126	2,404
(* Previous Figures have been reclassified, Regrouped from Last Year)										
Total (A+B)		2,58,896	74,933	10,743	3,23,086	98,045	15,145	1,11,445	2,11,641	1,60,851
Previous Year		2,42,929	11,041	1,301	2,49,155	84,736	14,545	84,736	1,60,851	1,64,419

CWIP aging schedule as on 31-03-2022

CWIP	Amount in CWIP for a period of			Total
	More than 1 year	2-3 years	More than 3 years	
Factory Shed (Project -1)*	-	-	-	-
Furnace (Project -2)	52,126	-	-	52,126
*Projects capitalized in FY 21-22				

CWIP aging schedule as on 31-03-2021

CWIP	Amount in CWIP for a period of			Total
	More than 1 year	2-3 years	More than 3 years	
Factory Shed (Project -1)*	24	1.97	1	27.35
Projects temporarily suspended				



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Amount in Rs. '000

Note 2.16: Cash and Cash Equivalents

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
a. Cash and cash equivalents		
Cash in hand	180	78
Balances with banks	1,239	6,615
Total	1,419	6,693

Note 2.17: Short Term Loans & Advances

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Unsecured, Considered Good		
Loans & Advances to Related Parties	-	-
Advance to Staff	53	185
Advances with Others	38	38
Balances with Tax Authorities	229	229
Advance to Suppliers	11,020	9,951
Total	11,340	10,403

Note 2.18: Other Current Assets

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Other Current Assets	348	271
Prepaid Expenses	307	32
Total	655	303

Note 2.19 Revenue from Operations

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Revenue from Operations		
A: Sale of Products		
Manufactured Goods (SAF)	3,75,832	1,83,179
Manufactured Goods (foundry)	91,468	54,099
Total	4,67,300	2,37,278
Traded Goods Sales	20,878	3,424
B: Revenue from Services		
Other Direct Income	572	468
Grand Total	4,88,750	2,41,170

Note 2.20 Other Income

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Interest Income	1,240	1,172
Other Income	763	3,411
Total	2,003	4,583



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Amount in Rs. '000

Note2.21 Cost of Material Consumed

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Consumption:		
Consumption of Raw Materials (SAF)	85,817	26,327
Consumption of Raw Materials (Foundry)	47,567	18,471
Consumption of Raw Materials (Ferrous waste + coke)	-	-
Total	1,33,383	44,798

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

RM with Iron Content	89,051	32,370
RM with Carbon Content	43,832	12,192
RM with Other Content	501	236

Note2.22 Changes in Inventories of Finished Goods and WIP

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Inventory at the beginning of the year		
Finished Goods (Valued at Lower of Cost or NRV)	4,746	14,112
Semi Finished Goods	69	-
Traded Goods (Valued at Lower of Cost or NRV)	470	786
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	134	134
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	12,977	20,681
	18,396	35,714
Inventory at the end of the year		
Finished Goods CI Limps (Valued at Lower of Cost or NRV)	9,350	4,746
Stock of Traded goods	695	470
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	134	134
Semi Finished Goods	92	69
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	36,598	12,977
	46,869	18,396
(Increase)/Decrease In Inventory	(28,473)	17,318

Note2.23 Production Related Direct Expenses

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Power Charges	1,47,751	72,360
Production & Handling Charges	12,890	7,432
Consumption of Stores & Consumables	32,616	18,096
Grand Total	1,93,257	97,888

Note2.24 Employee Benefit Expenses

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Salary & Wages	21,526	11,400
Contribution to Provident and Other Funds	1,935	904
Staff Welfare expenses	303	141
Total	23,764	12,446



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Amount in Rs. '000

Note 2.25 Finance costs

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Interest expenses	11,938	17,404
Bank Charges	49	24
Total	11,987	17,428

Note 2.26 Other Expenses

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Administrative and Establishment Expenses		
Audit Fees	90	30
Administrative Expenses	6,148	3,923
Provision for Doubtful advances	4,617	-
Selling Expenses	3,465	1,102
Prior Period expenses	65	522
Total	14,385	5,577

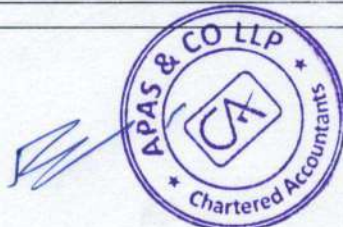
Note 2.27 Earnings per Equity Share

Particulars	Amount as on 31-03-2022	Amount as on 31-03-2021
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	74,907	58,712
Weighted Average number of equity shares for Earnings per Share computation	3,000	3,000
1. For Basic Earnings per Share of ` 10 each	3,000	3,000
2. For Diluted Earnings per Share of ` 10 each	3,000	3,000
Earnings per Share		

Amount in Rs. 000

Note 2.28

Nature of Transactions	Amount as on 31-03-2022	Amount as on 31-03-2021
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
Addition u/s 147 rws 144B of Income Tax Act for FY 2013-14. Company has preferred appeal against the said addition in front of CIT(Appeals) and further, there would be no tax outflow in case adverse decision also	2,500	-
Guarantee :- Bank Guarantees issued Guarantees to Bank & Financial Institutions against credit facilities extended to third parties	1,320	1,320
(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	NIL	NIL
Total	3,820	1,320



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Amount in Rs. '000

Note 2.29 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

(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. Jaiquru Vintrade Pvt.Ltd
7. Srikar Innovative Industries Private Limited

Transaction with Related Parties

Nature of Transactions	Amount as on 31-03-2022	Amount as on 31-03-2021
Transactions With (A) above		
- Loan received	14,000	9,500
- Loan repaid	4,010	-
- Expense made on behalf of company	299	282
- Expense Amount Reimbursed	826	208
- Interest expense on Loan taken	601	57
- Capital Advance settled	900	-
- Salary Paid	1,200	-
Transactions With (B) above		
- Trading receipt	-	-
- Advance received	14,844	8,000
- Advance paid back	18,679	16,516
- Purchase of Goods and services	8,984	1,010
- Sale of Goods and services	2,466	-
- Interest on unsecured loan taken	441	1,476
Balance with (A) Above		
- Loans & Advances Payable	27,340	17,407
- Other Payables	514	456
Balance with (B) Above		
- Loans & Advances Payable	10,757	10,760
- Receivable	30	-
- Other Payables	303	444

Note 2.30 PAYMENTS TO AUDITORS

1. Statutory Audit Fees	50	30
3. Tax Audit, Certification and Other Fees	33	25
Total	83	55

Note 2.31 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 2.32 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.



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Note 2.33 Currently no Earned leaves are accrued in the hands of Employees as on 31.03.2022 which needs recognition as employee retirement benefits in the accounting period 2021-22 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 Leave Encashment in accordance with AS-15 on the basis of actuarial valuation of the company and Power generation unit acquired through slump sale has been taken separately. The figures below represent liability as applicable. The following information is disclosed in terms of Accounting Standard 15 issued by the ICAI:-

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

Period	As on 31.03.2022	As on 31.03.2021
Number of employees	123	32.00
Total monthly salary	971	318.28
Average Past Service(Years)	1.84	3.31
Average Future Service (yr)	25.85	33.92
Average Age(Years)	34.15	26.08
Weighted average duration (based on discounted cash flows) in years	16.37	15.26
Average monthly salary	7.89	9.95

The assumptions employed for the calculations are tabulated:

	As on 31.03.2022	As on 31.03.2021
Discount rate	7.53% per annum	7.12% per annum
Salary Growth Rate	7.00% per annum	7.00% per annum
Mortality	IALM 2012-14	IALM 2012-14
Expected rate of return	-	-
Withdrawal rate (Per Annum)	5.00% pa	5.00% pa

Benefits valued:	As on 31.03.2022	As on 31.03.2021
Normal Retirement Age	60 Years	60 Years
Salary for Gratuity	Last drawn qualifying salary	Last drawn qualifying salary
Vesting Period for Gratuity	5 Years of service	5 Years of service
Benefits on Normal Retirement for Gratuity	15/26 * Salary * Past Service (vr).	15/26 * Salary * Past Service (vr).
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	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 31.03.2022	As on 31.03.2021
Current Liability (Short Term)	15	10
Non Current Liability (Long Term)	961	522
Total Liability	976	532

Note 2.34 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 2022 as micro, small or medium enterprises. Consequently the amount paid/payable to these parties during the year is NIL.

Note 2.35 Other Disclosures

1) Value of Imports calculated on CIF basis by the Company during the Financial year in	216
2) Expenditure in Foreign Currency during the FY on account of Royalty Know How,	NIL
3) Total Value of all Imported Raw Materials, Spare Parts and Consumables consumed as %	216
4) Amount remitted in Forex as Dividends	NIL
5) Earnings in Foreign Exchange	NIL



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Amount in Rs. '000

Note 2.36 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

Note 2.37 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 2.38 Ratio Analysis

Particulars	Parameters of Calculation	Year ended on 31-03-2022	Year ended on 31-03-2021	% of variance
Current ratio	Current Assets/Current Liabilities	1.32	0.73	80%
Debt- Equity Ratio	Total Debt/ Shareholder's Equity	0.93	1.82	-49%
Debt Service Coverage ratio	(Net profit after taxes + Non-cash operating expenses)/(Interest & Lease Payments + Principal Repayments)	4.64	1.48	214%
Return on Equity ratio	PAT/ Average Shareholder's Fund	2.50	1.96	28%
Inventory Turnover ratio	Total Income/ Average Inventory	7.39	5.61	32%
Trade Receivable Turnover Ratio	Total Income/ Average Receivables	69.68	31.81	119%
Trade Payable Turnover Ratio (Services Procured)	Net Purchases/ Avg. Trade payable	6.93	2.38	191%
Net Capital Turnover Ratio	Total Income/ Average Working Capital	17.64	(10.55)	-267%
Net Profit ratio	PAT/ Total Income	0.15	0.24	-37%
Return on Capital Employed	EBIT/Average Capital Employed	0.36	0.18	105%
Return on Investment	Income generated from invested funds/ avg. invested funds	NA	NA	NA



EARTHSTAHL & ALLOYS PRIVATE LIMITED
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NOTES TO ACCOUNTS

Amount in Rs. '000

Reason for Variance over 25%:

Current Ratio- Improvement in current ratio is on account of higher inventory levels in the current year.
Debt equity Ratio- Improvement of debt equity ratio is on account of reduction in debt and increase in equity due to higher profitability in current year
Debt Service coverage Ratio- Increase in Debt service coverage ratio is due to increase in profit and partial pre payment of debt.
Return on Equity Ratio- Return on equity ratio has improved in current year on account of high profitability in
Inventory turnover Ratio- Inventory turnover ratio has improved in current year on account of high total income in
Trade receivable turnover Ratio- Trade receivable ratio has improved in current year on account of high total income
Trade Payable turnover Ratio- Trade payable ratio has improved in current year on account of high turnover of
Net Capital turnover Ratio- Net Capital Turnover has improved in current year on account of increase in average working capital
Net Profit Ratio- Net profit ratio has decreased in current year due to higher NP ratio in previous year due to booking of deferred tax asset in FY 2020-21
Return on Capital Employed- Return on Capital employed is on higher side in current year due to high realization on sales made on account of favourable market trend.

Note 2.39 Corporate Social Responsibility

Provisions of Corporate Social Responsibility as per Sec 135 of Companies Act, 2013 are not applicable to the company in FY 2021-22.

Note 2.40 Transaction with Struck off companies

The company has not entered into any transactions with companies which are Struck-off under section 248 of the Companies Act, 2013.

Note 2.41 Immovable property with title deed not in the name of Company

There is no Immovable property whose title deed is not held in the name of the company.

Note 2.42 Dealing in Virtual Digital assets

The company has not traded or invested in cryptocurrency or virtual currency during the reporting period.

Note 2.43 Proceedings under Benami Transactions (Prohibition) Act

There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 2.44 No classification as Wilful Defaulter by Bank

The company has not been declared as a wilful defaulter by any bank or Financial Institutions or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

Note 2.45 Compliance of Scheme of arrangement

During the year, company has not applied for any scheme of arrangement with NCLT and not previous compliances are pending as on the year end.

Note 2.46 Regrouping of Balances

The previous year figures have been regrouped and/or rearranged and/or reworked and/or reclassified wherever necessary to correspond with the current year classification/disclosure.

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: 22415549A
Date: 15-07-2022
Place: Raipur



For & behalf of the Board of Directors


Ravi Laddha
Director
DIN-0000358




Pravin Somani
Director
DIN-01143972



Date: 15.06.2022

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

Sub.: Management Representation & Certificates for audit of our company for the financial year 2021-22.

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 2022 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 31-03-2022.
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 31-03-2022 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 31-03-2022.
8. **Income from Investment:** We certify that there is no Income from Investment for the year ended on 31-03-2022.
9. **Cash Balance:** Cash Balance with the company as on 31-03-2022 was Rs. 1,80,492/-.
10. **Leave Encashment and Gratuity:** We certify that currently there are no Earned leaves that have accrued in the hands of Employees as on 31.03.2022 which needs recognition as employee retirement benefits in the accounting period 2021-22. 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 2022 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 31-03-2022 & 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 31-03-2022 is as follows:-

Sr. No.	Particulars	Amount in Rs.
1	Finished Goods	4,60,82,338/-
2	Raw Materials	4,16,68,660/-
3	Store Consumable	59,03,043/-
4	Trading Goods	6,94,810/-
5	Semi Finished goods	91,801/-
6	Foundry Rejects	15,32,971/-
TOTAL		9,59,73,622/-

13. **Corporate Social Responsibility:** Provisions of Corporate Social Responsibility as per Sec 135 of Companies Act, 2013 are not applicable to the company in FY 2021-22.
14. **Transaction with Struck off companies:** The company has not entered into any transactions with companies which are Struck-off under section 248 of the Companies Act, 2013.
15. **Immovable property with title deed not in the name of Company:** There is no Immovable property whose title deed is not held in the name of the company.
16. **Dealing in Virtual Digital assets:** The company has not traded or invested in cryptocurrency or virtual currency during the reporting period.
17. **Proceedings under Benami Transactions (Prohibition) Act:** There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
18. **No classification as Wilful Defaulter by Bank:** The company has not been declared as a wilful defaulter by any bank or Financial Institutions or consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.
19. **Compliance of Scheme of arrangement:** During the year, company has not applied for any scheme of arrangement with NCLT and not previous compliances are pending as on the year end.

Regards,

For, EARTH STAHL & ALLOY PVT LTD

Ravi Laddha

Ravi Laddha
(Director)
DIN-00008358

Prawin Semani

Prawin Semani
(Director)
DIN-01143972

