

Interim Financial Statements of

EARTHSTAHL & ALLOYS LIMITED

FINANCIAL YEAR
2022-2023
(Up to September'22)

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

☎ 4032292, apas@apas.co.in



In preparing the interim financial statements, the management and the Board of Directors are 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Interim Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 interim 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





INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the interim financial statements of **M/s EARTH STAHL & ALLOYS LIMITED (CIN: U27310CT2009PLC021487)** which comprise the balance sheet as at 30th September 2022, and the statement of Profit and Loss and statement of cash flows for the year to-date period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as required by Accounting Standard 25, "Interim Financial Reporting" ("AS 25") and other accounting principles generally accepted in India of the state of affairs of the Company as at 30 September 2022, profit for the year-to-date period then ended, changes in equity and its cash flows for the year-to-date-period ended on that date.

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 AS 25 "Interim Financial Reporting" and other accounting principles generally accepted in India, of the state of affairs of the Company as at 30th September, 2022, its **Profit** and its cash flows for the period 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 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Interim 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 interim financial statements under the provisions of the Act 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.

Management's Responsibilities for the Interim Financial Statements

The Company's management and the Board of Directors are responsible for the preparation of these interim financial statements that give a true and fair view of the state of affairs, profit and cash flows of the Company in accordance with AS 25 prescribed under section 133 of the Act and other accounting principles generally accepted in India.

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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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.

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



[RAJDEEP SINGH]
Partner

M.NO . : 415549

UDIN-23415549001W1H08582

Date: 04/01/2023

Place: Raipur

EARTHSTAHL & ALLOYS LIMITED
CIN: U27310CT2009PLC021487

BALANCE SHEET AS AT 30th SEPTEMBER 2022

Amount in Rs. Lakhs

Particulars	Note	Amount as at 30-09-2022	Amount as at 31-03-2022
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	300.00	300.00
Reserves And Surplus	2.2	1,793.01	1,216.78
Non-Current Liabilities			
Long - Term Borrowings	2.3	720.83	1,135.03
Long Term Provision	2.4	11.89	9.61
Deferred Tax Liabilities	2.10	139.20	94.86
Current Liabilities			
Short - Term Borrowings	2.5	372.09	264.94
Trade Payables	2.6	624.12	361.51
Short - Term Provision	2.7	157.41	0.15
Other Current Liabilities & Provisions	2.8	184.31	209.72
TOTAL		4,302.86	3,592.61
ASSETS			
Non-Current Assets			
Property Plant & Equipments	2.9	2,245.07	1,595.15
Intangible Assets		-	-
Capital Work-In-Progress	2.9	20.11	521.26
Long-Term Loans And Advances	2.11	58.87	4.52
Non - Current Investments	2.12	14.54	14.54
Other Non - Current Assets	2.13	458.41	266.46
Current Assets			
Inventories	2.14	1,052.43	959.74
Trade Receivables	2.15	79.02	56.38
Cash And Cash Equivalents	2.16	5.14	14.19
Short Term Loans & Advances	2.17	352.93	153.81
Other Current Assets	2.18	16.33	6.55
TOTAL		4,302.86	3,592.61

Significant Accounting Policies

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Notes on Accounts

2.1 - 2.49

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: 2341554939464408

Date: 04-01-2023

Place: Raipur



For & behalf of the Board of Directors

Rajesh Somani

Rajesh Somani

Whole Time Director

DIN-01719930

Utsabanand Nath

Utsabanand Nath

Chief Financial Officer

Pravin Somani

Pravin Somani

Whole Time Director

DIN-01143972

Rahul Kumar Sinha

Rahul Kumar Sinha

Company Secretary

EARTHSTAHL & ALLOYS LIMITED
CIN: U27310CT2009PLC021487

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 30th September 2022

Amount in Rs. Lakhs

Particulars	Note	Apr-Sep'22	2021-22
Revenue From Operations			
Revenue From Operations	2.19	4,815.86	4,887.50
Net Revenue From Operations		4,815.86	4,887.50
Other Income			
Interest Income	2.20	8.64	12.40
Other Income	2.20	0.18	7.63
Total Income		4,824.68	4,907.54
Expenses:			
Cost Of Material Consumed	2.21	1,830.02	1,333.83
Purchases Stock In Trade		217.85	179.66
Change In Inventory	2.22	-30.97	-284.73
Production Related Direct Expenses	2.23	1,630.03	1,932.57
Employee Benefit Expenses	2.24	168.53	237.64
Finance Costs	2.25	54.04	119.87
Depreciation Expense	2.9	86.50	151.45
Other Expenses	2.26	90.93	143.85
Total Expenses		4,046.92	3,814.15
Profit Before Exceptional Items And Tax		777.76	1,093.39
Exceptional Items		-	-
Profit Before Tax		777.76	1,093.39
Tax Expense:			
(1) Current Tax		-157.19	-
(2) Deferred Tax		-44.34	-344.32
Profit (Loss) For The Period		576.24	749.07
Earnings Per Equity Share	2.27		
Basic		6.40	8.32
Diluted		6.40	8.32

Significant Accounting Policies
Notes On Accounts

1
2.1 - 2.49

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: 23415549BCM1H0582

Date: 04-01-2023

Place: Raipur



For & Behalf Of The Board Of Directors

Rajesh Somani
Rajesh Somani

Whole Time Director
DIN-01719930

Utsabanand Nath
Utsabanand Nath
Chief Financial Officer

Pravin Somani
Pravin Somani

Whole Time Director
DIN-01143972

Rahul Kumar Sinha
Rahul Kumar Sinha
Company Secretary

EARTHSTAHL & ALLOYS LIMITED
CIN: U27310CT2009PLC021487
CASH FLOW STATEMENT FOR THE YEAR 2022-23 (Upto September'22)

Amount in Rs. Lakhs

Particulars	2022-23 (Upto Sept'22)		2021-22	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per statement of P&L		777.76		1,093.39
Adjusted For:				
Depreciation Expenses	86.50		151.45	
Finance Costs	54.04		119.87	
Interest Income	8.64		-12.40	
Profit on Sale of Asset			-7.73	
Operating Profit before Working Capital Changes		909.66		1,344.59
Adjusted For:				
Trade and Other Receivables	-22.64		27.53	
Short Term Loans & Advances	-199.12		-9.37	
Inventories	-92.70		-596.14	
Other Current Assets	-9.78		-3.53	
Trade and Other Payables	262.60		128.30	
Short Term Borrowing	107.15		62.44	
Long term provisions	2.28		4.39	
Short term provision	157.26		46.22	
Other Current Liabilities	-182.60		-213.83	
Cash Generated from Operations		932.11		790.60
B. CASH FLOW FROM INVESTING ACTIVITIES				
Net Purchase of Fixed Assets	-235.27		-651.63	
Movement in Loans & Advances	-54.35		-42.59	
Purchase of Investments			0.40	
Other Non Current Asset	-191.95		7.87	
Net Cash from Investing Activities		-481.57		-685.95
C. CASH FLOW FROM FINANCING ACTIVITIES				
Equity Capital Infusion				
Long Term Borrowings(net)	-414.19		-49.91	
Finance Cost	-54.04		-119.87	
Interest Income	8.64		12.40	
Capital Reserve				
Net Cash from financing Activities		-459.59		-157.39
NET INCREASE IN CASH AND CASH EQUIVALENTS		-9.05		-52.73
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		14.19		66.93
CL. BALANCE OF CASH AND CASH EQUIVALENTS		5.14		14.19

As per our report of even date attached herewith:

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



Rajdeepsingh

Partner

M. No. 415549

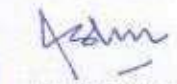
UDIN: 2341554909 04/01/2023

Date: 04-01-2023

Place: Raipur



For & Behalf Of The Board Of Directors



Rajesh Somani

Whole Time Director

DIN-01719930



Utsavpand Nath

Chief Financial Officer



Pravin Somani

Whole Time Director

DIN-01143972



Rahul Kumar Sinha

Company Secretary

EARTHSTAHL & ALLOYS LIMITED
CIN: U27310CT2009PLC021487
NOTES TO ACCOUNTS

Amount in Rs. Lakhs

Note 2.1: SHARE CAPITAL

Particulars	As at 30th September 2022		As at 31st March 2022	
	Number	Amount	Number	Amount
Authorised				
Equity Shares having nominal value of Rs. 10 each	1,50,00,000	1,500.00	30,00,000	300.00
Issued, Subscribed & Paid Up				
Equity Shares having nominal value of Rs. 10 each	30,00,000	300.00	30,00,000	300.00
Total	30,00,000	300.00	30,00,000	300.00

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 30th September 2022		As at 31st March 2022	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	30,00,000	300.00	30,00,000	300.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	30,00,000	300.00	30,00,000	300.00

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

Name of Shareholder	Equity Shares			
	As at 30th September 2022		As at 31st March 2022	
	No. of Shares held	% to total holding	No. of Shares held	% to total holding
M/s Jaiguru Vintrade Private Limited	10,60,000	35.33%	10,60,000	35.33%
Shri Ravi Thakurdas Laddha	3,68,000	12.27%	4,13,000	13.77%
Rajesh Somani	3,97,000	13.23%	4,27,000	14.23%
Pravin Somani	3,94,000	13.13%	3,19,000	10.63%
M/s Aayush steel Co. Pvt. Ltd	1,85,000	6.17%	1,85,000	6.17%
M/s Somani Processors Pvt. Ltd	1,70,000	5.67%	1,70,000	5.67%

Disclosure relating to change in shareholding of Promoter at 30th September, 2022.

Promoter Name	No. of Shares as at 30-09-2022	No. of Shares as at 31-03-2022	% change during the year
M/s Jaiguru Vintrade Private Limited	10,60,000	10,60,000	0.00%
Shri Ravi Thakurdas Laddha	3,68,000	4,13,000	-1.50%
Rajesh Somani	3,97,000	4,27,000	-1.00%
Pravin Somani	3,94,000	3,19,000	2.50%
M/s Aayush steel Co. Pvt. Ltd	1,85,000	1,85,000	0.00%
M/s Somani Processors Pvt. Ltd	1,70,000	1,70,000	0.00%
Anju Pravin Somani	20,000	20,000	0.00%
Ravi Thakurdas Ladhha HUF	18,000	18,000	0.00%



EARTH STAHL & ALLOYS 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 LIMITED
CIN: U27310CT2009PLC021487
NOTES TO ACCOUNTS

Amount in Rs. Lakhs

Note 2.2: Reserves and Surplus

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Securities Premium Account		
Opening Balance	734.40	734.40
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised	-	-
Closing Balance	734.40	734.40
General Reserve		
	-	-
Capital Reserve		
Opening Balance	455.98	455.98
(+) Current Year Changes	-	-
Closing Balance	455.98	455.98
Surplus (-Deficit)		
Opening balance	26.40	-722.67
(+) Net Profit/(Net Loss) For the current year	576.24	749.07
(+) Transfer from Reserves	-	-
(-) Transfers	-	-
Closing Balance	602.63	26.40
Total	1,793.01	1,216.78

Note 2.3: Long-Term Borrowings

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Secured		
Term Loans From NBFC's		
Chhattisgarh Investments Ltd.	-	761.75
Less : Current Maturity	-	-
	-	761.75
Mahindra And Mahindra Financial Service	5.58	7.01
Less : Current Maturity	-3.07	-2.92
	2.51	4.09
Term Loans From Banks		
HDFC BANK LTD- HYDRA	11.31	13.05
Less : Current Maturity	-3.70	-3.56
	7.61	9.49
Union Bank of India - Alcazar	17.98	18.92
Less : Current Maturity	-2.38	-2.29
	15.61	16.63
HDFC Bank Ltd. - Excavator	36.79	-
Less : Current Maturity	-9.09	-
	27.71	-
Total	53.43	791.96



Terms of Repayment

1. The loan from HDFC Bank Ltd. - Excavator of Rs. 37.72 lakhs to be repaid in 47 monthly installments of Rs. 0.92 lacs each commencing from October 2022 and ending in Aug'26.
2. The loan from HDFC Bank Ltd. - Hydra of Rs. 15 lakhs to be repaid in 47 monthly installments of Rs. 0.37 lacs each commencing from September 2021 and ending on July'25
3. The loan from Mahindra & Mahindra Financial Services Ltd. - Bolero is payable by 35 monthly installments of Rs. 0.29 lacs each commencing from August '21
4. The loan from Union Bank of India - Alcazar is payable by 84 monthly installments of Rs. 0.30 lacs each commencing from December'21

Unsecured**Loans and advances from related parties**

Unsecured From Directors	87.40	203.40
Unsecured From Relatives of Directors	20.00	70.00
Unsecured from Bodies Corporate	460.00	69.67
Unsecured from Shareholder	100.00	-
Total	667.40	343.07

Terms of Repayment

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

TOTAL LONG TERM BORROWINGS	720.83	1,135.03
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Note 2.4: Long term Provision

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Provision for gratuity	11.89	9.61
Total	11.89	9.61

Note 2.5: Short-Term Borrowings

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Current maturities of Long-Term Debt	18.23	8.77
Secured		
Loans repayable on demand		
a) Chhattisgarh Investments Limited	-	256.17
b) Cash Credit facility from Yes Bank	353.86	-
Total	372.09	264.94

Terms and Security

The Cash Credit Loan from Yes Bank Ltd. is primarily secured against entire current assets of the company

The Cash Credit Loan from Yes Bank Ltd. is also secured against exclusive charge on movable fixed assets of the company, exclusive charge on immovable fixed asset (factory land & building situated at Simga, Chhattisgarh of the company)

Unconditional and Irrevocable Personal Guarantee of promoter Rajesh Somani, Pravin Somani & Ravi Laddha to remain valid during entire tenure of the loan



EARTHSTAHL & ALLOYS LIMITED
CIN: U27310CT2009PLC021487
NOTES TO ACCOUNTS

Amount in Rs. Lakhs

Note 2.6: Trade Payables

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Due on account of Goods Purchased & Services Received from Micro Small & Medium Enterprises	-	-
Due on account of Goods Purchased & Services Received	624.12	361.51
Total	624.12	361.51

Disclosure related to trade payable ageing schedule in FY 2022-23 (Upto September' 2022)

Particulars	Outstanding for the following periods from due date of payment			Total
	Less than 1 year	1 year to 2 years	2 years to 3 years more than 3 year	
MSME				-
Others	623.51			623.51
Disputed - MSME				-
Disputed - Other			0.60	0.60
Total :	623.51	-	0.60	624.12

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 1 year	1 year to 2 years	2 years to 3 years more than 3 year	
MSME				-
Others	329.38	1.45	27.58	360.91
Disputed - MSME				-
Disputed - Other			0.60	0.60
Total :	329.38	1.45	28.18	361.51



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Amount in Rs. Lakhs

Note 2.7: Short term provision

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Provision for Income Tax	157.19	-
Provision for Gratuity	0.22	0.15
Total:	157.41	0.15

Note 2.8: Other Current Liabilities & Provisions

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Other Payables		
Audit Fees Payable	1.50	0.45
GST Payable	81.08	49.02
Taxes & Duties payable	6.19	15.42
Employee benefit payable	42.94	11.60
Outstanding liabilities for other expenses	9.35	19.72
Interest on Unsecured Loan Payable	14.33	9.38
Creditors for Capital Goods	9.70	-
Advance from Customers	19.22	41.81
Overdraft in Bank Account	-	62.32
Total:	184.31	209.72

Note 2.10: Deferred Tax Assets

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Opening Balance of Deferred Tax Asset/(Liability)	-94.86	249.46
On Account of Loss	-	23.00
On Account of Depreciation	-141.13	-134.36
On Account of Expenses disallowed u/s 40A(7)	1.94	16.50
On account of Difference of earlier year	-	-
Deferred Tax Assets/(Liability) for the year	44.34	344.32
Closing Balance of Deferred Tax Asset/(Liability)	-139.20	-94.86

Note 2.11: Long-Term Loans and Advances

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
a. Capital Advances		
Unsecured and considered good	58.87	4.52
	58.87	4.52
b. Other Loans and advances		
Unsecured and considered good	-	-
Total:	58.87	4.52



Note 2.12: Non Current Investments

Particular	Amount as on 30-09-2022	Amount as on 31-03-2022
Deposit with Bank (Maturity more than 12 months)	13.20	13.20
Other Non-Trade		
a. Investment	-	-
b. Equity Instruments (fully paid up-unless otherwise stated)		
Quoted		
- Mutual Fund	-	-
- Equity Share		
(TCS Limited 36 Shares(PY 36))	1.34	1.34
Unquoted	-	-
Total:	14.54	14.54

Note 2.13: Other non-current asset

Particular	Amount as on 30-09-2022	Amount as on 31-03-2022
Security Deposits	458.41	266.46
Total:	458.41	266.46

Note 2.14: Inventories

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
a. Raw Materials (Valued at Average Cost)	461.98	416.69
b. Finished goods (Valued at Lower of Cost or NRV)	487.51	460.82
c. Semi Finished Goods (Valued at Lower of Cost or NRV)	2.37	0.92
d. Stock in Trade (Valued at Lower of Cost or NRV)	9.79	6.95
e. Stores and Consumables (Valued at Average Cost)	88.33	59.03
f. Stock of By Products (Valued at NRV)	2.46	15.33
Total:	1,052.43	959.74



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Amount in Rs. Lakhs	
Particulars	Amount as on 31-03-2022
Trade receivables	79.02
Trade receivables outstanding for a period less than six months	42.96
Unsecured, considered good	-
Unsecured, considered doubtful	-
Trade receivables outstanding for a period more than six months	13.41
Unsecured, considered Good	-
Unsecured, considered Doubtful	10.64
Less:	-10.64
Provision for Doubtful Debts	-
Total	56.38

Details of ageing of trade receivables as on 30-09-2022:

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 or more than 3 years	
Undisputed trade receivable - Considered good	79.02	-	-	-	79.02
Undisputed trade receivable - Considered Doubtful	-	10.64	-	-	10.64
Disputed trade receivable - Considered good	-	-	-	-	-
Disputed trade receivable - Considered Doubtful	-	-	-	-	-
Total :	79.02	10.64	-	-	89.66

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 or more than 3 years	
Undisputed trade receivable - Considered good	42.96	12.33	-	1.08	56.38
Undisputed trade receivable - Considered Doubtful	-	-	-	-	-
Disputed trade receivable - Considered good	-	-	-	-	-
Disputed trade receivable - Considered Doubtful	-	-	-	-	-
Total :	42.96	12.33	-	1.08	56.38



Fixed Assets	Life	Gross Block				Accumulated Depreciation			NET BLOCK	
		Balance as at 1st April 2022	Additions	Disposals	Balance as at 30th September 2022	Balance as at 1st April 2022	Transfer of asset	Depreciation charge for the year	Balance as at 30th September 2022	Net Block as at 31st March 2022
TANGIBLE ASSETS										
Own Assets										
Factory Land	-	121.92	54.92	-	176.84	-	-	16.40	176.84	121.92
Factory Shed & Building	15 years	629.47	49.55	-	679.02	-	-	64.60	449.61	416.46
Plant and Machinery	10 & 15 years	1,845.90	621.83	-	2,467.73	-	-	2.66	1,563.67	1,006.44
Office Equipments	10 years	6.29	3.51	-	9.80	-	-	0.47	7.15	4.11
Computers	3 years	9.82	2.40	-	12.22	-	-	0.72	3.30	1.62
Furniture & Fixture	10 years	31.19	4.22	-	35.41	-	-	1.42	14.12	11.32
Vehicles	7 years	65.01	-	-	65.01	-	-	2.89	30.39	33.28
Total A		2,709.60	736.42	-	3,446.02	-	-	86.50	1,200.95	1,595.15
Previous Year		2,564.92	209.89	65.22	2,709.60	17.46	-	151.45	1,114.45	1,584.47
Capital Work In Progress										
Total B		521.26	87.52	588.67	20.11	-	-	-	20.11	521.26
* Previous Year		521.26	87.52	588.67	20.11	-	-	-	20.11	521.26
		24.04	539.44	42.21	521.26	-	-	-	521.26	24.04
(* Previous Figures have been reclassified, Regrouped from Last Year)										
Total (A+B)		3,230.86	823.94	588.67	3,466.13	-	-	86.50	1,200.95	2,116.41
Previous Year		2,588.96	749.33	107.43	3,230.86	980.45	-	151.45	1,114.45	1,608.51

CWIP aging schedule as on 30-09-2022

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Project In Progress	20.11			20.11
Project suspended				

CWIP aging schedule as on 31-03-2022

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Project In Progress	521.26			521.26
Project suspended				



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Amount in Rs. Lakhs

Note 2.16: Cash and Cash Equivalents

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
a. Cash and cash equivalents		
Cash in hand	2.47	1.80
Balances with banks	2.67	12.39
Total	5.14	14.19

Note 2.17: Short Term Loans & Advances

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Unsecured, Considered Good		
Loans & Advances to Related Parties		
a. Body Corporate	57.36	-
Loans & Advances to Others		
Advance to Staff	0.78	0.53
Advances with Others	0.40	0.38
Balances with Tax Authorities	89.82	93.39
Advance to Suppliers		
Others (Unrelated)	204.57	105.67
Less: Provision for Doubtful advances	-	-46.17
Total	352.93	153.81

Note 2.18: Other Current Assets

Particulars	Amount as on 30-09-2022	Amount as on 31-03-2022
Appeal Agt. Case No.15 (IGST)	0.85	0.85
Interest Accrued But Not Due (FD)	3.17	2.60
MEIS Duty Credit Scrip in Hand	0.03	0.03
Interest Receivable on CSPDCL SD	8.07	-
Prepaid Expenses	4.21	3.07
Total	16.33	6.55

Note 2.19 Revenue From Operations

Particulars	Apr-Sep'22	2021-22
(a) Revenue from sale of products	4,813.13	4,881.78
(i) Revenue from Manufactured Goods	4,593.50	4,673.00
(ii) Revenue from Traded Goods	219.63	208.78
B: Revenue from Services	2.73	5.72
(i) Revenue from Freight Services	1.69	3.39
(ii) Revenue from Service Charges	1.05	2.33
Grand Total	4,815.86	4,887.50

Note 2.20 Other Income

Particulars	Apr-Sep'22	2021-22
Interest Income	8.64	12.40
Other Income	0.18	7.63
Income from Dividend	0.01	-
Sundry Balances written off	0.17	-0.10
Profit on Sale of Shares	-	2.45
Profit on Sale of Vehicle	-	2.32
Profit on Sale of Land	-	2.96
Total	8.82	20.03



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Amount in Rs. Lakhs

Note 2.21 Cost Of Material Consumed

Particulars	Apr-Sep'22	2021-22
Loans & Advances to Related Parties		
Opening Stock of Raw Material	432.02	142.21
Purchase of Materials	1,882.00	1,623.64
Less: Closing Stock of Raw Material	-464.44	-432.02
Less: Disposal as such	-19.56	-
Total	1,830.02	1,333.83
Details of Major Raw Material Consumed (constituting more than 10% of total consumption)		
RM with Iron Content	998.81	890.51
RM with Carbon Content	785.69	438.32
RM with Other Content	45.51	5.01

Note 2.22 Changes in Inventories of Finished Goods and WIP

Particulars	Apr-Sep'22	2021-22
Inventory at the beginning of the year		
Finished Goods (Valued at Lower of Cost or NRV)	93.50	47.46
Semi Finished Goods	0.92	0.69
Traded Goods (Valued at Lower of Cost or NRV)	-6.95	4.70
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	1.34	1.34
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	265.98	129.77
	468.69	183.96
Inventory at the end of the year		
Finished Goods CI Lumps (Valued at Lower of Cost or NRV)	30.47	93.50
Stock of Traded goods	9.79	6.95
Finished Goods Ferrous Waste & Coke Fines (Valued at Lower of Cost or NRV)	-	1.34
Semi Finished Goods	2.37	0.92
Finished Goods Casting Articles (Valued at Lower of Cost or NRV)	457.04	265.98
	499.66	468.69
(Increase)/Decrease In Inventory	-30.97	-284.73

Note 2.23 Production Related Direct Expenses

Particulars	Apr-Sep'22	2021-22
Power Charges	1,287.58	1,477.51
Production & Handling Charges	62.32	128.90
Consumption of Stores & Consumables	280.14	326.16
Grand Total	1,630.03	1,932.57

Note 2.24 Employee Benefit Expenses

Particulars	Apr-Sep'22	2021-22
Salary & Wages	148.18	215.26
Contribution to Provident and Other Funds	12.76	19.35
Staff Welfare expenses	7.59	1.03
Total	168.53	237.64



Note 2.25 Finance Costs

Particulars	Apr-Sep'22	2021-22
Interest expenses	47.59	119.38
Bank Charges	6.45	0.49
Total	54.04	119.87

Note 2.26 Other Expenses

Particulars	Apr-Sep'22	2021-22
ADMINISTRATIVE AND ESTABLISHMENT EXPENSES		
AUDIT FEES	1.50	0.90
ADMINISTRATIVE EXPENSES	49.83	61.48
CONVEYANCE EXPENSES	3.77	6.51
CORPORATE SOCIAL RESPONSIBILITY (CSR)	1.20	0.98
COURIER EXPENSES (GST)	-	0.01
CUSTOM CLEARANCE CHARGES	-	0.58
DONATION	0.06	0.05
FEES & TAXES	3.78	6.18
GST AUDIT LIABILITY EXP	-	0.82
HOTELLING CHARGES	0.66	0.17
INSPECTION CHARGES	1.76	-
INSURANCE CHARGES	4.59	3.80
INTERNET LEASE LINE	0.10	-
LATE FEES (GST)	-	0.00
LEASE RENT (LAND)	-	0.96
LEGAL & PROFESSIONAL EXPENSES	0.08	0.49
LICENSE FEES	-	1.41
OFFICE EXPENSES	1.52	0.85
PACKING & FORWARDING CHARGES	0.82	0.26
PENALTY CHARGES	-	0.35
POSTAGE, TELEGRAM & E-MAIL EXP.	0.04	0.24
PRINTING & STATIONERY	0.72	1.73
PROFESSIONAL CHARGES	8.78	18.77
R/M FURNITURE & FIXTURE OFFICE EQUIPMENTS	1.19	2.03
REPAIR & MAINTENANCE OF FACTORY SHED & BUILDING	4.24	5.59
ROC FILING & LEGAL EXP.	10.84	0.48
ROUND OFF	-0.00	-0.00
RUNNING, REPAIR & MAINTENANCE OF VEHICLE	4.39	5.66
SERVICE CHARGES	0.21	3.05
TAX AUDIT FEES	-	0.20
TDS LIABILITY	1.01	-
TELEPHONE & MOBILE EXPENSES	0.27	0.31
TRADING FREIGHT	0.60	-
SELLING EXPENSES	24.73	34.65
ACTUAL MARKING FEE	0.64	1.73
ADVERTISEMENT EXPENSES (GST)	-	0.18
ANNUAL LICENCE FEE	-	0.01
BUSINESS PROMOTION EXP.	0.69	3.78
COMMISSION CHARGES	5.39	12.11
FREIGHT OUTWARD CHARGES	15.09	11.73
RAILWAY & AIR TICKET CHARGES	2.92	5.62
PRIOR PERIOD EXPENSES	4.24	0.65
BUSINESS PROMOTION EXPENSES	0.58	-
CONVEYANCE EXPENSES	0.10	-
FREIGHT OUTWARD CHARGES	0.54	-
OFFICE EXPENSES	0.64	0.65
PROFESSIONAL CHARGES	0.33	-
TRAVELLING EXPENSES	1.94	-
TELEPHONE & MOBILE EXPENSES	0.11	-
PROVISION FOR DOUBTFUL DEBTS/ADVANCE	10.64	46.17
Total	90.93	143.85



Note 2.27 Earnings Per Equity Share

Particulars	Apr-Sep 22	2021-22
Net Profit/(Loss) as per Profit & Loss Account available for Equity Shareholders	576.24	746.07
Weighted Average number of equity shares for Earnings per Share computation*	90,00,000	90,00,000
1. For Basic Earnings per Share of ₹ 10 each	90,00,000	90,00,000
2. For Diluted Earnings per Share of ₹ 10 each	90,00,000	90,00,000
Earnings per Share		
Basic	6.40	8.32
Diluted	6.40	8.32

*. Weighted average number of equity shares for six month period ended on 30-09-2022 and for previous year Apr-Mar'22 are taken as 90,00,000 equity shares as increased by the bonus issue of 60,00,000 equity shares allotted in the ratio of 2:1 to the shareholders, through Board Meeting dated January 04, 2023 has been considered.

Note 2.28

Nature of Transactions	Amount as at 30-09-2022	Amount as at 31-03-2022
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 nvs 144B of Income Tax Act for FY 2013-14. Company has preferred appeal against the said addition before CIT(Appeals) and further there would not be any tax outflow even in case of any adverse decision	25.00	25.00
The company has filed an appeal before the Appellate Authority, Chhattisgarh dated 22.03.2021 having appeal no. AD220321002868G against the order dated 29.12.2020 for an amount of Rs. 20,79,065/-. The appeal is disposed off through a Rectification order passed on 26.10.2021 when the demand has been upheld and only interest is reduced to 10% of the penalty amount as per Sec 73(9) of the Act. Thus, the amount payable is 13,10,637/-. The company will contest the demand, however, the appeal is pending for filing due to non-constitution of the Appellate Tribunal as on date.	13.10	
The company has filed an appeal before the Appellate Additional Commissioner, Commercial Tax, Raipur (C.G.) against the order passed by the Asst. Commissioner dated 27.11.2019 through which assessing officer has imposed tax at full rate by rejection of Form C. The Assessee has submitted that Form 'C' along with supporting documents are filed on 23.12.2019 and hence, the appeal to be allowed. The appeal is pending for hearing.	2.10	
The company received the reminder Show Cause Notice dated 18.07.2022 against the scrutiny of Tran-1 under which company claimed credit of Vat carried forward in the return as SGST Credit. The company has submitted its reply along with all the necessary documents on 13.09.2022 for the satisfaction of the notice. The matter is pending adjudication.	16.55	
Guarantee :-		
Bank Guarantees issued	13.20	13.20
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	69.95	38.20



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 significant uncertainties relating to revenue in future periods.

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	Amount as on 30-09-2022	Amount as on 31-03-2022	% of variance
Current ratio	Current Assets/Current Liabilities	1.13	1.42	-21%
Debt- Equity Ratio	Total Debt/ Shareholder's Equity	0.52	0.93	-44%
Debt Service Coverage Ratio	(Net profit after taxes + Non-cash operating expenses)/(Interest & Lease Payments + Principal Repayments)	1.16	5.33	-78%
Return on Equity ratio	PAT/ Average Shareholder's Fund	6.32	0.65	-51%
Inventory Turnover ratio	Total Income/ Average Inventory	4.29	7.39	-35%
Trade Receivable Turnover Ratio	Total Income/ Average Receivables	71.14	69.68	2%
Trade Payable Turnover Ratio (Services Procured)	Net Purchases/ Avg. Trade payable	4.26	6.06	-30%
Net Capital Turnover Ratio	Total Income/ Average Working capital	18.44	80.19	-77%
Net Profit ratio	PAT/ Total Income	0.12	0.15	-21%
Return on Capital Employed	EBIT/Average Capital Employed	0.24	0.37	-35%
Return on Investment	Income generated from invested funds/ avg. invested funds	NA	NA	NA

* Ratios are not annualized

Reason for Variance over 25%:

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- Reduction in Debt service coverage ratio is due to prepayment of term liability in current period

Return on Equity Ratio- Return on equity ratio has improved in current year on account of high profitability in current year

Inventory turnover Ratio- Inventory turnover ratio has reduced in current period on account of low total income being for 6 month period

Trade Payable turnover Ratio- Trade payable ratio has decreased in current period on account of high trade payables.

Net Capital turnover Ratio- Net Capital Turnover has decreased in current year on account of increase in average working capital

Return on Capital Employed- Return on Capital employed is on lower side in current period due to lower sales being 6 months period



Note 2.48

Registration of charges or satisfaction with Registrar of Companies

There are charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period. Details are as:

Bank	Type of Loan	Amount	Date of Sanction	Remark
HDFC Bank - Hydra	Equipment Loan	15,00,000	29-07-2021	Charge not created
HDFC Bank - Excavator	Equipment Loan	17,72,000	01-09-2022	
Mahindra & Mahindra Financial Services	Vehicle Loan	8,80,000	02-07-2021	

Reason for non creation of charge

Company is in continuous followup with lending institutions for creation of charge, however, till date required digitally signed documents are not provided to the company for creation of charge

Note 2.49

Regrouping of Balances

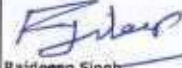
The previous year figures have been regrouped and/or rearranged and/or reworked and/or reclassified wherever necessary to correspond with the current period classification/disclosure.

As per our report of even date attached herewith

For, **A P A S & Co LLP**

Chartered Accountants

FRN: 000340C/C400308


Rajdeepsingh

Partner

M. No. 415549

UDIN: 23415549

Date: 04-01-2023


Place: Raipur



For & Behalf Of The Board Of Directors



Rajesh Somani
Whole Time Director
DIN-01719980


Utsabnand Nath
Chief Financial Officer



Pravin Somani
Whole Time Director
DIN-01143972


Rahul Kumar Sinha
Company Secretary