

LAXMI TRIPTI & ASSOCIATES

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Firm Reg. NO. – 009189C
CAG No. ER0782

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF

SKY ALLOYS AND POWER LIMITED

[Formerly Known as Sky Alloys And Power Private Limited]

RAIPUR

Report on the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **Sky Alloys and Power Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and 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 standalone financial statements give the information required by the Companies Act, 2013 ("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 March 31, 2023, and its profit, and its cash flows for the year ended on that date,

- a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2023
- b) In the case of the Statement of Profit and Loss, of the profit for the period ended on that date and
- c) In the case of cash flow statement, for the cash flows for the year ended on that date

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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 on standalone financial statements.



KEY AUDIT MATTERS

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

Reporting on key audit matters as per SA701, Key Audit Matters are not applicable to the company as it is an unlisted company.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S 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.

Based on our audit, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash Flow of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone 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.

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

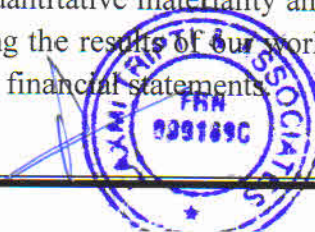
AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

- Identify and assess the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk for not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or 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 Act, we are also responsible for expressing of our opinion 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 the 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 for the financial year ended 31st March 2023 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 benefit of such communication.

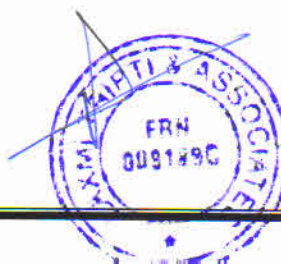
OTHER MATTER

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 Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information provided to us, 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 to 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 purpose 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 and 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 written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164(2) of Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, referred to our separate report in "Annexure-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2023 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the information and explanations provided to us:
- i. The Company has disclosed the impact if any of pending litigation as at March 31, 2023 on its financial position in its standalone financial statements as referred
• Clause - D referred in in Part 2 to Note 25 of Notes to Accounts.
 - ii. The Company has not entered any long-term contracts including derivatives contracts during the year, which requires any provision under applicable laws or accounting standards, for 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, other than as disclosed in the notes to the accounts, 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 it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons(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 has been declared or paid during the year by the company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For LAXMI TRIPTI & ASSOCIATES
Chartered Accountants
Firm Registration No: 009189C


CA Anand Kumar Agrawal
Partner

Membership No.: 075575

Place: Raipur



Date: The 28th Day of August 2023

UDIN: 23075575BGWXWF2499

Annexure "A" to the Independent Auditor's Report

Referred to in paragraph "1" of the Independent Auditors Report of the even date to the Members of **SKY ALLOYS AND POWER LIMITED** on the standalone financial statement as of and for the year ended March 31, 2023

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipments;
- (b) The Company has a regular programme for physical verification in phased periodic manner, which, in our opinion, is reasonable having regards to the size of the company and the nature of its Property, Plant and Equipments. No material discrepancies have been noticed on such verification.
- (c) According to the information and explanation provided to us, management has represented that the title deeds, comprising all immovable properties of land and buildings are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that have been taken on lease and disclose as Property, Plant and Equipment in the financial statements, the lease agreements are in the name of company, where the company is the lessee in the agreement.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use of Assets) or intangible assets or both during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. As explain to us, there were no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns / statements filed by the Company with such banks are generally 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 made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 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 of the Company, the company has not made any loans, investments, guarantees, and security, covered by provisions of section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations given to us and on the basis of our examination of the records of the Company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013. Accordingly, clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Records and Audit Rules, 2014) prescribed by the central government u/s 148 (I) of the Companies Act, 2013 and made the opinion that prima facie the prescribed cost records have been maintained. We have however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations provided to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including sales tax including value added tax, provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, duty of excise, cess and other statutory dues applicable to it, with the appropriate authorities though there have been a slight delay in few cases.
According to the information and explanations provided to us no undisputed amount payable in respect of sales tax including value added tax, provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, duty of excise, cess and other material statutory dues were in arrears as at March 31, 2023 for period of more than six months from the date they became payable.
- (b) According to the information and explanations provided to us and the records of the Company examined by us, there were no dues of income tax, service-tax, sales tax, duty of customs, duty of excise and value added tax at March 31, 2023 which have not been deposited on account of a dispute Except the following:-

| Sr. No. | Name of the statute | Nature of Dues | Amount (Rs. In Lacs) | Period to Which amount relates | Forum which dispute is pending |
|---------|---------------------|----------------|----------------------|--------------------------------|------------------------------------|
| 1 | Income Tax Act | Income Tax | 249.26 | F.Y.2010-11 | ITAT, Raipur |
| 2 | Income Tax Act | Income Tax | 2165.74 | F.Y.2020-21 | CIT Appeal, Central Circle, Raipur |



- 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 surrendered or disclosed transactions previously unrecorded in the tax assessments under the Income Tax Act, 1961. As informed and explained to us, Rs. 637.92 Lacs recorded out of Rs. 794.36 in the books of accounts.
- ix. (a) 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 defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (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 other lender;
- (c) According to the information and explanations given to us by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and the procedures performed by us and on an overall examination of the financial statements of the Company, we report that the funds raised on short term basis have prima facie, not been used during the year for long term purposes by the company.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) is not applicable.
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, clause 3(ix)(f) is not applicable.
- 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. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 made private placement of shares during the year and complied with the requirements of section 42 etc. of the Companies Act'2013 and the fund raised have been prima facie used for the purpose for which the funds were raised.
- xi. (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.



(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(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. Accordingly, clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable.

xiii. In our opinion and 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. (a) Based on information and explanations provided to us and our audit procedures, the company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered, the internal audit reports issued to the Company during the year and till date, in determining nature, timing and extent of our audit procedures.

xv. Based upon the audit procedures and the information and explanation given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

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). Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(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. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(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. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(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 financial year 2022-23. Accordingly, clause 3(xviii) of the Order is not applicable.



However, we additionally report that the Statutory Auditor for the financial year 2022-23 as appointed in annual general meeting of the company had resigned after the end of financial year due to completion of maximum tenure as statutory auditor.

- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not 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, there are no unspent amounts towards Corporate Social Responsibility (CSR) in accordance with Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.
- xxi. The reporting under clauses 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For LAXMI TRIPTI & ASSOCIATES

Chartered Accountants

Firm Registration No: 009189C


CA Anand Kumar Agrawal

Partner

Membership No.: 075575

Place: Raipur



Date: The 28th Day of August 2023

UDIN: 23075575B6WXWE2499

Annexure“B” to the Independent Auditor’s Report

Referred to in paragraph 2 (f) under Report on ‘Other Legal and Regulatory Requirement’ section of our report of even date on the standalone financial statements for the year ended March 31, 2023 of SKY ALLOYS AND POWER LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **SKY ALLOYS AND POWER LIMITED** (“the Company”) as of march 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system of Company over financial reporting.



MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of managements and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanation provided to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial control over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For LAXMI TRIPTI & ASSOCIATES
Chartered Accountants
Firm Registration No: 009189C

CA Anand Kumar Agrawal

Partner

Membership No. 075575

Place: Raipur

Date: 10th Day of August 2023

UDIN: 23075575B G W X W E 2499

SKY ALLOYS AND POWER LIMITED

(CIN: U27100CT2009PLC021184)

NO.16, RECREATION ROAD, CHOUBEY COLONY, RAIPUR, CHHATTISGARH

Standalone Balance Sheet as at 31st March, 2023

(Rs. in Lacs, unless otherwise stated)

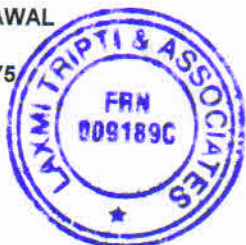
| | Particulars | Note No. | As at 31st March, 2023 | As at 31st March, 2022 |
|-----|---|----------|---------------------------|---------------------------|
| I. | EQUITY AND LIABILITIES | | | |
| (1) | Shareholder's Funds | | | |
| | Share Capital | 1 | 6926.19 | 6526.19 |
| | Reserves and Surplus | 2 | 5025.16 | 1216.41 |
| (2) | Share application money pending allotment (To the extent not refundable) | | - | - |
| (3) | Non-Current Liabilities | | | |
| | Long-Term Borrowings | 3 | 5448.65 | 8638.06 |
| | Deferred Tax Liabilities (Net) | | 577.25 | 603.88 |
| | Other Long term liabilities | | | |
| | Long-Term Provisions | 4 | 95.47 | - |
| (4) | Current Liabilities | | | |
| | Short-Term Borrowings | 5 | 7797.07 | 6370.35 |
| | Trade Payables | 6 | | |
| | Total outstanding dues micro and small enterprises | | 887.55 | 999.27 |
| | Total outstanding dues of creditors other than micro and small enterprises | | 420.79 | 769.61 |
| | Other Current Liabilities | 7 | 938.09 | 1357.30 |
| | Short-Term Provisions | 8 | 445.94 | 215.00 |
| | TOTAL | | 28562.16 | 26696.07 |
| II. | ASSETS | | | |
| (1) | Non-Current Assets | | | |
| | Property, Plant & Equipments and Intangible Assets | | | |
| | - Property, Plant & Equipments | 9 | 12134.31 | 10752.95 |
| | - Intangible assets | | | |
| | - Capital work in progress | 9A | 1789.79 | 2138.20 |
| | - Intangible assets under development | | | |
| | Non-Current Investments | 10 | - | 18.79 |
| | Deferred tax assets (net) | | | |
| | Long-Term Loans and Advances | 11 | 16.19 | 241.96 |
| | Other Non-Current Assets | | - | - |
| (2) | Current Assets | | | |
| | Current investments | | | |
| | Inventories | 12 | 10748.82 | 9751.70 |
| | Trade Receivables | 13 | 1378.79 | 933.62 |
| | Cash and Cash Equivalents | 14 | 313.25 | 582.11 |
| | Short-Term Loans and Advances | 15 | 1388.68 | 1809.13 |
| | Other Current Assets | 16 | 792.33 | 467.61 |
| | TOTAL | | 28562.16 | 26696.07 |
| | Significant Accounting Policies & Notes to Financial Statements | 25 | | |

The Accompanying notes form an integral part of these standalone financial statement

As per our Report of even date
For, LAXMI TRIPTI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.N.009189C

ANAND KUMAR AGRAWAL
PARTNER
Membership no. 075575

Place: RAIPUR
Date: 28-08-2023



For and on behalf of the Board
For, Sky Alloys And Power Limited For, Sky Alloys And Power Limited

RAVI SINGHAL
MANAGING DIRECTOR
(DIN: 01197349)

DIVYAVIJAY SINGH VAID
CHIEF FINANCIAL OFFICER

SANJAY GOYAL
DIRECTOR
(DIN: 01197272)

AAKANSHA VAID
COMPANY SECRETARY
(M. No. A33013)

Director

SKY ALLOYS AND POWER LIMITED

(CIN: U27100CT2009PLC021184)

NO.16, RECREATION ROAD, CHOUBEY COLONY, RAIPUR, CHHATTISGARH

Statement of Profit and Loss for the year ended on 31st March, 2023

(Rs. in Lacs, unless otherwise stated)

| Particulars | Note No. | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|-----------|--------------------------------|--------------------------------|
| Income : | | | |
| Revenue from Operations | 17 | 55371.03 | 48139.28 |
| Other Incomes | 18 | 66.18 | 177.35 |
| Total Income | | 55437.21 | 48316.63 |
| Expenses : | | | |
| Cost of Raw Material Consumed | 19 | 44580.26 | 39931.72 |
| Purchases of Stock in Trade | | | |
| Changes in inventories of finished goods, work in progress and Stock-in- trade | 20 | (824.73) | 728.33 |
| Employee Benefit Expenses | 21 | 293.64 | 131.54 |
| Finance Costs | 22 | 1201.95 | 1255.67 |
| Depreciation | 23 | 1606.84 | 1486.03 |
| Other expense | 24 | 3567.72 | 2399.51 |
| Total Expenses | | 50425.68 | 45932.80 |
| Profit before extraordinary items and tax | | 5011.53 | 2383.83 |
| Profit before Tax | | 5011.53 | 2383.83 |
| Tax Expense: | | | |
| Current tax | | 1300.00 | 215.00 |
| Deferred Tax | | (26.63) | (31.34) |
| Earlier Year Taxes | | (4.24) | 907.15 |
| Profit/ (Loss) for the period | | 3742.40 | 1293.02 |
| Earnings Per Equity Share (Rs.) | | | |
| Basic | | 5.45 | 2.13 |
| Diluted | | 5.45 | 2.13 |
| Significant Accounting Policies & Notes to Financial Statements | 25 | | |

The Accompanying notes form an integral part of these standalone financial statement

As per our Report of even date
For, LAXMI TRIPTI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.N.009189C

ANAND KUMAR AGRAWAL
PARTNER
Membership no. 075575

Place: RAIPUR
Date: 28-08-2023



For and on behalf of the Board
For, Sky Alloys And Power Limited For, Sky Alloys And Power Limited

RAVI SINGHAL
MANAGING DIRECTOR
(DIN: 01197349)

DIVYAVIJAY SINGH VAID
CHIEF FINANCIAL OFFICER

SANJAY GOYAL
DIRECTOR
(DIN: 01197272)

AAKANSHA VAID
COMPANY SECRETARY
(M. No. A33013)

SKY ALLOYS AND POWER LIMITED
NO.16, RECREATION ROAD, CHOUBEY COLONY, RAIPUR, CHHATTISGARH

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH, 2023

(Rs. in Lacs, unless otherwise stated)

| Particulars | Year Ended 31st March, 2023 | | Year Ended 31st March, 2022 | |
|--|-----------------------------|-----------------|-----------------------------|-----------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net Profit Before Tax | | 5011.53 | | 2383.83 |
| Adjustment for: | | | | |
| Depreciation | 1606.84 | | 1486.03 | |
| Interest / Processing Fees | 1201.95 | | 1255.67 | |
| Provision for Gratuity | 35.05 | | 0.00 | |
| Short Payment of TDS | -13.23 | | 0.00 | |
| (Profit) / Loss on Sale of Investments | -06.21 | | 0.00 | |
| Profit / (Loss) on Sale of Fixed Assets | 0.00 | | 0.03 | |
| | | 2824.40 | | 2741.73 |
| Operating Profit before Working Capital Changes | | 7835.93 | | 5125.56 |
| Adjustment for | | | | |
| Increase (-) / Decrease in Inventories | -997.12 | | -1780.44 | |
| Increase (-) / Decrease in Trade Receivables | -445.17 | | 417.64 | |
| Increase (-) / Decrease in Current Assets | -324.72 | | -169.81 | |
| Increase (-) / Decrease in Advances | 420.45 | | -1054.59 | |
| Increase / Decrease(-) in Trade Payables | -460.54 | | -27.60 | |
| Increase / Decrease(-) in Current Liabilities & Provisions | -188.27 | -1995.38 | -200.22 | -2815.00 |
| Cash Generated from Operations | | 5840.54 | | 2310.56 |
| Less: Income Tax Paid | | 1295.76 | | 907.15 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | 4544.78 | | 1403.40 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchases of Fixed Assets | -2639.79 | | -2232.86 | |
| Sale of Investments | 25.00 | | 0.00 | |
| Payables for Capital Assets | 0.00 | | -68.16 | |
| Advances for Capital Assets | 0.00 | | -08.61 | |
| Sale of Fixed Assets | 0.00 | | 0.40 | |
| Unsecured Loans & Advances | 225.77 | | -62.19 | |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | -2389.02 | | -2371.42 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | | | |
| Proceeds from issue of Shares | 540.00 | | 0.00 | |
| Deferred Expenditure for IPO | 0.00 | | 0.00 | |
| Proceeds / (Repayment) of Bank Term Loan (Net) | 2249.30 | | 1228.03 | |
| Proceeds from Working Capital Limit | 1043.34 | | 186.67 | |
| Proceeds / (Repayment) from Unsecured Loan | -5055.33 | | 484.82 | |
| Interest/Processing Fees on Loans | -1201.95 | | -1255.67 | |
| NET CASH FLOW FROM FINANCING ACTIVITIES | | -2424.63 | | 643.85 |
| D. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C) | | -268.86 | | -324.17 |
| CASH AND CASH EQUIVALENTS, beginning of the year | | 582.11 | | 906.28 |
| CASH AND CASH EQUIVALENTS, end of the year | | 313.25 | | 582.11 |

Notes: (1) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statement issued by The Institute Of Chartered Accountants of India.

(2) Cash & Cash Equivalents at the year end includes FDR of ` 304.18 Lacs (P.Y. ` 486.29 Lacs) pledged with bank.

(3) Figures in Negative Value represent cash out flow.

For, LAXMI TRIPTI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.N.009189C

ANAND KUMAR AGRAWAL
PARTNER
Membership no. 075575

Place: RAIPUR
Date: 28-08-2023



For, Sky Alloys And Power Limited

Managing Director

RAVI SINGHAL
MANAGING DIRECTOR
(DIN: 01197349)

DIVYAVIJAY SINGH VAID
CHIEF FINANCIAL OFFICER

For, Sky Alloys And Power Limited

Director

SANJAY GOYAL
DIRECTOR
(DIN: 01197272)

AAKANSHA VAID
COMPANY SECRETARY
(M. No. A33043)

SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 1. Share Capital

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Authorised Capital 7,00,00,000 Equity Shares of Rs.10/- each (P.Y. 7,00,00,000 Equity Shares of Rs.10/- each) | 7000.00 | 7000.00 |
| Issued, Subscribed and Paid up 6,92,61,880 Equity Shares of Rs.10/- each (P.Y. 6,52,61,880 Equity Shares of Rs.10/- each) | 6926.19 | 6526.19 |
| Total | 6926.19 | 6526.19 |

1 (i) Reconciliation Of Number Of Share

| Particulars | As at 31st March, 2023 | |
|---|------------------------|---------|
| | Equity Shares | |
| | Number | Amount |
| Balance as at the beginning of the year | 6,52,61,880 | 6526.19 |
| (+) Shares issued During the year | 40,00,000 | 400.00 |
| (-) Shares Brought back during the year | - | - |
| Balance at end of the Year | 6,92,61,880 | 6926.19 |

1 (ii) Details of shares held by shareholders holding more than 5% of the aggregate

(In Number)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------|---------------------------|---------------------------|
| Equity Shares | | |
| Kunj Behari Singhal | 7051615 (10.18%) | 25021615 (38.34%) |
| Ravi Singhal | 36549465 (52.77%) | 20998365 (32.18%) |
| Sandeep Kumar Agarwal | 4002500 (5.78%) | 4002500 (6.13%) |
| Nisha Singhal | 7840000 (11.32%) | 13000000 (19.92%) |

1 (iii) Disclosure of Shareholding of Promoters as at 31st March, 2023

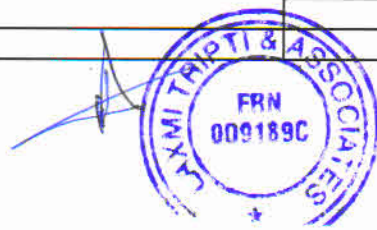
(In Number)

| Promoter's Name | No. of Shares held & % of total shares | % Change during the year |
|-----------------------|---|-----------------------------|
| Ravi Singhal | 36549465 (52.77%) | 20.59 |
| Sandeep Kumar Agarwal | 4002500 (5.78%) | (0.35) |

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held with a right to receive per share dividend declared by the company. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding. Voting right cannot be exercised on the shares on which call is unpaid

NOTE 2. Reserves and Surplus

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| a. Securities Premium | | |
| Opening Balance | 11105.67 | 11105.67 |
| (+) Addition during the year | 140.00 | - |
| | 11245.67 | 11105.67 |
| b. Surplus / Profit & Loss A/c | | |
| Opening Balance | (9889.26) | (11182.28) |
| (+) Net Profit for the current year | 3742.40 | 1293.02 |
| (+) Short TDS Paid | (13.23) | - |
| (+) Gratuity Adjustment (Refer Note No. 25 Part-2 Clause-N) | (60.42) | - |
| Closing Balance | (6220.51) | (9889.26) |
| Total | 5025.16 | 1216.41 |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 3. Long-Term Borrowings

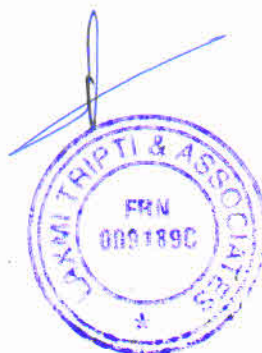
| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Secured Loans | | |
| From Banks | | |
| Punjab National Bank (Refer Note No. 25 Part-2 Clause-C) | 1425.10 | 1700.13 |
| Kotak Mahindra Bank (Refer Note No. 25 Part-2 Clause-C) | 136.23 | 160.89 |
| HDFC Bank (Refer Note No. 25 Part-2 Clause-C) | 992.78 | - |
| YES Bank (Refer Note No. 25 Part-2 Clause-C) | 1495.91 | - |
| From Financial Institutions (Unsecured) | | |
| - TATA Capital financial Services Ltd. (Refer Note No. 25 Part-2 Clause-C) | 33.00 | - |
| - Aditya Birla financial Services Ltd. (Refer Note No. 25 Part-2 Clause-C) | 43.38 | - |
| - Mahindra & Mahindra Financial Services Ltd. (Refer Note No. 25 Part-2 Clause-C) | - | 16.08 |
| | 4126.40 | 1877.10 |
| Less: Current Maturities of Long term borrowings | 715.60 | 332.22 |
| | 3410.80 | 1544.88 |
| Unsecured Loans | | |
| - From Corporates | 1211.43 | 4461.53 |
| - From Others | 826.42 | 2631.64 |
| Total | 5448.65 | 8638.06 |

Details of Current Maturities

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Punjab National Bank | 317.80 | 256.54 |
| Kotak Mahindra Bank | 38.69 | 59.60 |
| HDFC Bank | 08.99 | 0.00 |
| YES Bank | 284.40 | 0.00 |
| TATA Capital financial Services Ltd. | 25.93 | 0.00 |
| Aditya Birla financial Services Ltd. | 39.79 | 0.00 |
| Mahindra & Mahindra Financial Services Ltd. | 0.00 | 16.08 |
| | 715.60 | 332.22 |

NOTE 4. Long-Term Provisions

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Provision for Gratuity (Refer Note No. 25 Part-2 Clause-N) | 95.47 | - |
| Total | 95.47 | - |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 5. Short Term Borrowings

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Secured Loans | | |
| From Banks:- | | |
| Cash Credit Limit from Punjab National Bank (Refer Note No. 25 Part-2 Clause-C) | 4125.62 | 5037.98 |
| Cash Credit Limit from HDFC Bank (Refer Note No. 25 Part-2 Clause-C) | 1468.21 | - |
| Cash Credit Limit from YES Bank (Refer Note No. 25 Part-2 Clause-C) | 96.40 | - |
| Working Capital Demand Loan from YES Bank (Refer Note No. 25 Part-2 Clause-C) | 402.99 | - |
| LC Issued by Punjab National Bank for purchase of goods (Refer Note No. 25 Part-2 Clause-C) | - | 1000.15 |
| LC Issued by HDFC Bank for purchase of goods (Refer Note No. 25 Part-2 Clause-C) | 988.25 | - |
| Current Maturities of Long term borrowings | 715.60 | 332.22 |
| Total | 7797.07 | 6370.35 |

NOTE 6. Trade Payables

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------------|---------------------------|---------------------------|
| Trade Payables - MSME | | |
| - Less than 1 Year | 886.84 | 997.07 |
| - 1 Year to 2 Year | 0.68 | 2.20 |
| - 2 Year to 3 Year | 0.02 | 0.00 |
| - More than 3 Years | 0.00 | 0.00 |
| | 887.55 | 999.27 |
| Trade Payables - Others | | |
| - Less than 1 Year | 375.29 | 729.72 |
| - 1 Year to 2 Year | 10.58 | 04.85 |
| - 2 Year to 3 Year | 0.24 | 34.86 |
| - More than 3 Years | 34.68 | 0.19 |
| | 420.79 | 769.61 |
| Total | 1308.34 | 1768.88 |

| | | |
|-------------------------------|----------------|----------------|
| Above Trade payable Includes: | | |
| For other than capital goods | 1205.80 | 1754.20 |
| For Capital Goods | 102.54 | 14.68 |
| | 1308.34 | 1768.88 |

NOTE 7. Other Current Liabilities

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--------------------------------|---------------------------|---------------------------|
| Expenses Payable | 224.42 | 286.82 |
| Other Payables | - | 180.10 |
| Statutory Dues Payable | 590.07 | 214.09 |
| Advance Received From Customer | 123.60 | 676.29 |
| Total | 938.09 | 1357.30 |

NOTE 8. Short-Term Provisions

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------|---------------------------|---------------------------|
| Provision for Income Tax | 1300.00 | 215.00 |
| Less: Advance Tax and TDS | -854.06 | - |
| Total | 445.94 | 215.00 |

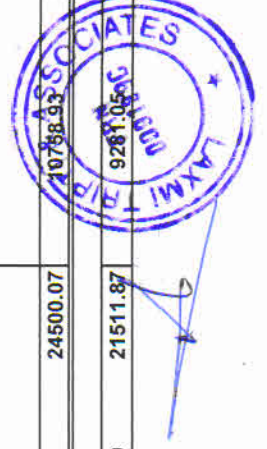


SKY ALLOYS AND POWER LIMITED
Notes forming part of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 9. Property, Plant & Equipments and Intangible Assets

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|-------------------------|-----------------|----------------|--------------|-----------------|-----------------|----------------|--------------|-----------------|-----------------|-----------------|
| | 01-Apr-22 | Addition | Disposal | 31-Mar-23 | 01-Apr-22 | For the C.Y | Disposal | 31-Mar-23 | 31-Mar-23 | 31-Mar-22 |
| <u>FACTORY</u> | | | | | | | | | | |
| Land | 238.77 | 14.62 | - | 253.39 | - | - | - | - | 253.39 | 238.77 |
| Land & Buildings | 28.22 | - | - | 28.22 | - | - | - | - | 28.22 | 28.22 |
| Induction Furnace | 1869.14 | - | - | 1869.14 | 1500.87 | 68.39 | - | 1569.26 | 299.88 | 368.27 |
| Ferro Alloys Plant | 1570.34 | 2372.20 | - | 3942.54 | 1217.35 | 349.81 | - | 1567.17 | 2375.38 | 352.99 |
| Power Plant | 6618.93 | - | - | 6618.93 | 3233.57 | 244.64 | - | 3478.20 | 3140.73 | 3385.36 |
| Boiler | 1077.01 | - | - | 1077.01 | 578.28 | 34.56 | - | 612.83 | 464.18 | 498.74 |
| Spong iron - Klin | 2232.05 | - | - | 2232.05 | 1851.95 | 70.12 | - | 1922.06 | 309.98 | 380.10 |
| Spong iron Plant | 4199.68 | - | - | 4199.68 | 813.14 | 613.06 | - | 1426.20 | 2773.48 | 3386.54 |
| Factory Shed / Building | 2666.15 | 231.46 | - | 2897.61 | 978.68 | 96.32 | - | 1075.00 | 1822.61 | 1687.47 |
| Trailors/Tracktors | 120.13 | - | - | 120.13 | 56.97 | 05.09 | - | 62.06 | 58.07 | 63.16 |
| Plant & Machinery | 727.05 | 6.44 | - | 733.49 | 436.35 | 53.82 | - | 490.17 | 243.32 | 290.70 |
| <u>OFFICE</u> | | | | | | | | | | |
| Office Building | - | 170.70 | - | 170.70 | - | 2.07 | - | 2.07 | 168.63 | - |
| Office Equipments | 41.95 | 19.90 | - | 61.85 | 36.23 | 9.07 | - | 45.30 | 16.55 | 5.72 |
| Computer | 7.35 | 4.35 | - | 11.70 | 5.15 | 2.41 | - | 07.55 | 04.15 | 2.21 |
| Vehicles | 103.89 | 105.92 | - | 209.81 | 44.15 | 52.08 | - | 96.23 | 113.58 | 59.74 |
| Furniture & fixture | 11.20 | 62.62 | - | 73.81 | 06.24 | 05.40 | - | 11.65 | 62.17 | 4.95 |
| TOTAL | 21511.87 | 2988.20 | - | 24500.07 | 10758.93 | 1606.84 | - | 12365.77 | 12134.31 | 10752.95 |
| PREVIOUS YEAR | 21425.79 | 94.67 | 08.59 | 21511.87 | 9261.05 | 1486.03 | 08.16 | 10758.93 | 10752.95 | 12144.74 |



SKY ALLOYS AND POWER LIMITED
Notes forming part of the financial statement

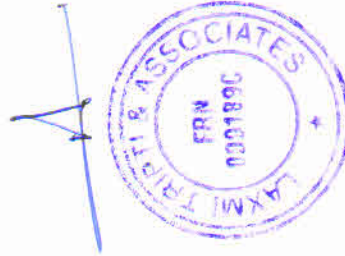
(Rs in Lacs, unless otherwise stated)

NOTE 9A. Capital Work in Progress

CWIP aging schedule

| | Figures as at the end of current reporting period | | | | |
|--------------------------------|---|-----------|-----------|-------------------|---------|
| CWIP | Amount in CWIP for a period of | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 1789.79 | 0.00 | 0.00 | 0.00 | 1789.79 |
| Projects temporarily suspended | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

| Figures as at the end of the previous reporting period | | | | | Total |
|--|------------------|-----------|-----------|-------------------|---------|
| Amount in CWIP for a period of | | | | | |
| CWIP | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 2138.20 | 0.00 | 0.00 | 0.00 | 2138.20 |
| Projects temporarily suspended | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 10. Non-Current Investments

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| INVESTMENT | | |
| Unquoted, at cost | | |
| M/s Nayantara Mercantile Private Limited (1,30,900 Equity Shares of Rs. 10/- each fully paid up) (Refer Note No. 25 Part-2 Clause-V) | - | 2.62 |
| M/s Meghna Distributors Private Limited (8,08,645 Equity Shares of Rs. 10/- each fully paid up) (Refer Note No. 25 Part-2 Clause-V) | - | 16.17 |
| Total | - | 18.79 |

NOTE 11. Long-Term Loans and Advances

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---------------------------|---------------------------|---------------------------|
| Security Deposits | 3.10 | 210.77 |
| Advance for Capital Goods | 13.09 | 31.19 |
| Total | 16.19 | 241.96 |

NOTE 12. Inventories

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Raw Material | 9025.32 | 8215.00 |
| Finished Goods | 1058.74 | 584.01 |
| Work in Progress | 664.76 | 314.76 |
| Excess Stock (as on 22/12/2021) -(Refer Note No. 25 Part-2 Clause-P) | - | 637.93 |
| Total | 10748.82 | 9751.70 |

NOTE 13. Trade Receivables

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|-----------------------------------|---------------------------|---------------------------|
| Trade Receivables: | | |
| Unsecured, considered good | | |
| - Less than 6 Month | 1362.81 | 814.98 |
| - 6 Month to 1 Year | 15.99 | 70.05 |
| - 1 Year to 2 Year | - | 48.59 |
| - 2 Year to 3 Year | - | - |
| - More than 3 Years | - | - |
| Total | 1378.79 | 933.62 |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statement

(Rs. in Lacs, unless otherwise stated)

NOTE 14. Cash and Cash Equivalents

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|------------------------------------|---------------------------|---------------------------|
| a. Balance with Banks | | |
| - Current Accounts | 0.00 | 0.00 |
| - FDR with Schedule Bank (Pledged) | 304.18 | 486.29 |
| b. Cash in Hand | 09.07 | 95.82 |
| Total | 313.25 | 582.11 |

| | | |
|------------------------------------|---------------|---------------|
| - FDR with Schedule Bank (Pledged) | | |
| Maturity More Than 12 months | 132.14 | 190.54 |
| Maturity Less Than 12 months | 172.04 | 295.75 |
| | 304.18 | 486.29 |

NOTE 15. Short-Term Loans and Advances

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|--|---------------------------|---------------------------|
| Advance to Suppliers | 816.17 | 1547.77 |
| Advance to Suppliers for Capital Goods | 400.12 | 16.92 |
| Other Loans and Advances | | |
| - To Others | 172.39 | 197.68 |
| - To Related Party | - | 46.77 |
| Total | 1388.68 | 1809.13 |

NOTE 16. Other Current Assets

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---------------------------|---------------------------|
| Balance with revenue authorities | 437.04 | 443.32 |
| Prepaid Expenses | 31.44 | 24.29 |
| Other Current Assets | 282.46 | - |
| Miscellaneous expenditure to the extent not written off | 41.39 | - |
| Total | 792.33 | 467.61 |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statements

(Rs. in Lacs, unless otherwise stated)

NOTE 17. Revenue From Operations

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|------------------------------|--------------------------------|--------------------------------|
| Sale of Goods | | |
| Indigenous Sales | 53390.45 | 45862.70 |
| Export Sales - Deemed Export | 1980.58 | 1363.16 |
| Sale of Services | | |
| Services Rendered | - | 913.43 |
| Total | 55371.03 | 48139.28 |

NOTE 18. Other Incomes

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Interest Received | 20.21 | 40.27 |
| Profit on Sale of Shares (Refer Note No. 25 Part-2 Clause-V) | 6.21 | - |
| Insurance | 5.87 | 5.04 |
| Rebate and Discount | 33.89 | 132.05 |
| Total | 66.18 | 177.35 |

NOTE 19. Cost of Raw Material Consumed

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Opening Inventory | 8852.92 | 6344.14 |
| Purchases of Raw Material | 39508.97 | 38381.73 |
| Add: Freight Expenses | | |
| Freight | 5243.69 | 4058.76 |
| | 53605.58 | 48784.63 |
| Less: Closing Stock of Raw Material | 9025.32 | 8852.92 |
| Cost of materials consumed during the year | 44580.26 | 39931.72 |

NOTE 20. Change in inventory of Finished Goods and Work in Progress

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Opening Inventory | 898.78 | 1627.11 |
| Finished Goods | 584.01 | 961.91 |
| Work in Progress | 314.76 | 665.20 |
| Less : Inventory at the end of the year | 1723.50 | 898.78 |
| Finished Goods | 1058.74 | 584.01 |
| Work in Progress | 664.76 | 314.76 |
| Change in the inventory | (824.73) | 728.33 |

NOTE 21. Employee Benefit Expenses

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|---|--------------------------------|--------------------------------|
| Salary and Bonus | 93.23 | 54.75 |
| Director Remuneration | 102.00 | 61.20 |
| Staff Welfare Expenses | 7.22 | 3.03 |
| Contribution towards PF | 38.48 | 10.78 |
| Contribution towards ESIC | 17.66 | 1.78 |
| Provision for Gratuity (Refer Note No. 25 Part-2 Clause-N) | 35.05 | - |
| Total | 293.64 | 131.54 |



SKY ALLOYS AND POWER LIMITED
Notes forming parts of the financial statements

NOTE 22. Finance Costs

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--------------------|--------------------------------|--------------------------------|
| Interest to Bank | 875.43 | 721.73 |
| Interest to Others | 256.77 | 482.68 |
| Bank Charges | 69.75 | 51.26 |
| Total | 1201.95 | 1255.67 |

NOTE 23. Depreciation

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--------------|--------------------------------|--------------------------------|
| Depreciation | 1606.84 | 1486.03 |
| Total | 1606.84 | 1486.03 |

NOTE 24. Other Expenses

| Particulars | Year Ended 31st March, 2023 | Year Ended 31st March, 2022 |
|--|--------------------------------|--------------------------------|
| Manufacturing Expenses | | |
| Electricity Exp. | 2033.08 | 1014.64 |
| Diesel & Fuel | 104.56 | 241.05 |
| Wages & Production Expenses | 775.71 | 751.10 |
| Rent of machinery | 49.38 | 95.79 |
| Manufacturing Exp. | 9.23 | 12.60 |
| Administrative and Other Expenses | | |
| Advertisement Exp. | 2.64 | 2.30 |
| Audit Fees | 10.00 | 5.00 |
| CSR & Donation | 43.44 | 15.71 |
| Electricity exp | 1.33 | 0.39 |
| Insurance Exp. | 39.54 | 20.36 |
| Office Exp | 2.37 | 1.48 |
| Printing & Stationary | 5.57 | 4.64 |
| Professional Fees | 75.65 | 62.63 |
| Rates Fees and Taxes | 30.15 | 39.96 |
| GST Interest | 212.33 | 0.00 |
| Rent | 5.06 | 2.10 |
| Repairing & Maintainance | 21.86 | 31.75 |
| Telephone Exp | 2.76 | 2.79 |
| Travelling and Conveyance Exp. | 25.79 | 6.30 |
| Commission Expense | 97.74 | 78.36 |
| Loss on Sale of Fixed Assets | - | 0.03 |
| Vehicle Running & Maintainance | 8.07 | 10.53 |
| Penalty and Interest | 6.68 | 0.00 |
| MSME Interest (Refer Note No. 25 Part-2 Clause-F) | 4.78 | 0.00 |
| Total | 3567.72 | 2399.51 |



SKY ALLOYS AND POWER LIMITED

(FORMERLY SKY ALLOYS AND POWER PRIVATE LIMITED)

(CIN: U27100CT2009PLC021184)

NO.16, RECREATION ROAD, CHOUBEY COLONY, RAIPUR, CHHATTISGARH**NOTE - 25****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023.****CORPORATE INFORMATION**

SKY ALLOYS AND POWER LIMITED is a limited company, registered under the companies Act, with the Registrar of Companies, Chhattisgarh vide CIN- U27100CT2009PLC021184 as on 19th May, 2009. The company is having its registered office at NO.16, RECREATION ROAD, CHOUBEY COLONY, RAIPUR, CHHATTISGARH and is engaged in the business of manufacturing of Sponge Iron, MS Ingots, power & Ferro Alloys. The company has been converted from "Private limited Company" to "Limited Company" vide certificate dated 11/10/2022.

1) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:**a. Basis of Accounting**

The Financial statements of company have been prepared in accordance with Accounting Principles Generally Accepted in India, including the Accounting Standards specified under section 133 of Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires judgment, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of income and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

c. Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which they are incurred.

d. Property, Plant & Equipments and Intangible Assets

Fixed The Property Plant & Equipments are stated at cost of acquisition or construction net of impairment loss, if any less accumulated depreciation/amortization. Cost comprises of purchase/acquisition price, non-refundable taxes and any directly attributed cost of bringing the assets to its working conditions for its intended use. None of the assets have been revalued during the year.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

e. Depreciation

Depreciation on Property, Plant & Equipments and Intangible Assets (including on fixed assets acquired under finance lease) is provided at the rates prescribed in Schedule II to The Companies Act, 2013 by adopting 'Written down Value Method'.

Depreciation on addition to assets or on sale / disposal of assets is calculated pro-rata from the date of such addition or up to the date of such sale/disposal as the case may be.

f. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.



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

g. Investments

Investments are recorded as Long-Term Investments unless they are expected to be sold within one year and valued at cost. Diminution if any, in value of investments are not made as, in the opinion of Management, they are of temporary nature.

h. Goods and Service Tax

Goods and Service Tax claimed on capital assets is credited to assets / capital work in progress account. Goods and Service Tax on purchase of raw materials and other materials are deducted from the cost of such materials.

i. Inventories

- (i) Raw Materials are valued at lower of cost or net realizable value.
- (ii) Cost of inventories of finished goods and work-in-process includes material cost, proportionate cost of conversion and other costs.
- (iii) Cost of By Product and Scrap are valued at net realizable value.

j. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the group are segregated.

k. Accounting for Taxes on Income

Taxes on Income are accounted for in accordance with Accounting Standard (AS)-22 issued by ICAI. Tax comprises both Current and Deferred Tax.

- Current Tax is measured at the amount expected to be paid/recovered from the revenue authorities using the applicable tax rate and laws.
- The tax effect of the timing difference that results between taxable and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax assets or deferred tax liability. Deferred Tax Assets and liabilities are recognized for future tax consequence attributable to timing difference. They are measured using the substantive enacted tax rates and tax regulations.

4. Employee Benefit Expenses

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Post-Employment Benefit Plans

(i) Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates



and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

m. Impairment

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

n. Earnings Per Share

Basic EPS is calculated by dividing the net profit after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For calculating diluted earnings per share, both the numerator and the denominator, i.e., the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period respectively, are adjusted for the effects of all dilutive potential equity shares.

o. Deferred Revenue Expenses

The expenses which incurred in current accounting year but its benefits are incurred in following or future accounting years, treated as deferred expenses and accordingly shown as Miscellaneous expenditure to the extent not written off.

p. Foreign Exchange Transaction

Foreign Currency transactions are recorded at the rates of exchange prevailing on the date of the respective transactions. The company recognized all transactions and translated gains & losses in the profit and loss account except those arising from the acquisition of fixed assets, which are adjusted to the cost of respective assets.

q. Contingent Liability

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as result of past event and it is probable that there will be outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statement.

r. Project Development Expenses Pending Adjustment

Expenditure incurred during developmental and preliminary stages of the Company's new/expansion projects, are carried forward. However, if any project is abandoned, the expenditure relevant to such project is written off through the natural heads of expenses in the year in which it is so abandoned.



s. Government Grants / Subsidy

Government Grants/Subsidy are Recognized, when there is reasonable assurance that

- 1) The company will comply with conditions attached to them and
- 2) The Grants/subsidy will be received.

The Government Grants/Subsidy received is shown as other income in Statement of Profit & Loss.

t. Events Occurring After Balance Sheet Dates

Material events occurred after balance sheet date have been properly dealt with and accounted for in the financial statements for the year.

u. LEASES

Operating Lease

Company as a lessee: Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases and monthly lease rental if any thereon are charged to the statement of Profit & Loss as per the lease agreement.

Company as a lessor: Leases where the company has substantially retained all the risk and reward of ownership are classified as operating lease. Monthly rental income if any from operating lease is recognized in the statement of Profit & Loss as per the lease agreement.

Finance Lease:

Leases where substantially all the risk and benefits incidental to the ownership of leased item are transfer to the leases are classified as finance lease.

Company as a lessee: Assets acquired under finance lease are capitalized at the lease inception at lower of fair value of the leased assets and present value of minimum lease payment. Lease payment are apportioned between finance charges and reduction of lease liability.

Company as a lessor: Assets leased to others under finance lease are recognized as receivables at an amount equal to net investment in the leased assets. Finance lease income is recognized based on periodic rate of return on the net investment outstanding in respect of the finance leased.



2) NOTES TO THE FINANCIAL STATEMENTS:

- A. Previous year figure has been regrouped /classified wherever necessary to correspond with current year classification/disclosure.
- B. The financial statements are presented in Indian rupees rounded off to the nearest rupees in Lacs up to two decimals

C. **SECURED / UNSECURED LOANS**

I. **Term Loan [Covid Loan]**

PNB Covid 19 Emergency Credit Facility of Rs. 342 Lacs sanctioned from Punjab National Bank, MID Corporate Centre, Raipur. The term loan is secured by:-

- a) Hypothecation of Plant and machinery of following plant:
 - 6 MVA Ferro Alloys Plant
 - 10 Ton Induction furnace
- b) Further secured by pari passu charge on all current assets by way of hypothecation of entire stock of Raw Materials, Finished Goods, stock in process, Stores and Spares of the company at the factory premises or at any other places including goods in transit, outstanding moneys, books debts and receivables.
- c) The said Term Loan is further collaterally secured by personal guarantee of promoters /immovable assets of promoters / directors and their relatives and corporate guarantee of M/s Meghna Distributors Pvt. Ltd., M/s Nayantara Mercantile Pvt. Ltd. and M/s Modern Special Wires & Pipes Pvt. Ltd.
- d) The above said loan is repayable in 18 equated monthly installments commencing from December 2020.
- e) Loan is squared off during the year under audit.
- f) Rate of Interest is 8.08%

II. **Working Capital Term Loan under GECL**

PNB Covid 19 Emergency Credit Facility of Rs. 1120 Lacs sanctioned from Punjab National Bank, MID Corporate Centre, Raipur. The term loan is secured by :-

- a) Extensions of charge over the existing primary & collateral securities (offered in connection with term loan and Working Capital limit) excluding personal and corporate guarantee.
- b) The above said loan is covered under guarantee coverage from NCGTC.
- c) The above said loan is repayable in 48 equated monthly installments commencing from July 2022.
- d) Rate of interest of above loan is 8.30% as at 31.03.2023.



III. Working Capital Term Loan under GECL 2.0 Extension

PNB Covid 19 Emergency Credit Facility of Rs. 534 Lacs sanctioned from Punjab National Bank, MID Corporate Centre, Raipur. The term loan is secured by :-

- a) Extensions of charge over the existing primary & collateral securities (offered in connection with term loan and Working Capital limit) excluding personal and corporate guarantee.
- b) The above said loan is covered under guarantee coverage from NCGTC.
- c) The above said loan is repayable in 48 equated monthly installments after moratorium of 24 months from the date of disbursement of loan i.e. November - 2021.
- d) Rate of interest of above loan is 8.25% as at 31.03.2023.

IV. Term Loan [Business Loan]

Term Loan of Rs. 49.90 Lacs sanctioned on 17/06/2022 by Kotak Mahindra Bank as Business improvement Loan. The term loan is secured by :-

- a) The said Term loan is secured by personal guarantee of Directors.
- b) The term loan is repayable in 24 monthly installments of Rs. 243180.
- c) Rate of interest of above loan is, 15.56% p.a.

V. Term Loan [Vehicle Loan]

Term Loan of Rs. 238.65 Lacs sanctioned by Kotak Mahindra Bank as Vehicle Loan. The term loan is secured by :-

- a) Hypothecation of respective vehicles.
- b) The term loan is repayable in equal monthly installments.

VI. Term Loan [Rolling Mill Plant]

Term Loan of Rs. 3500 Lacs sanctioned on 22/03/2023 by HDFC Bank for implementation of Rolling Mill Plant with license capacity of 95000 MTPA & Induction Furnace of 1 x 10 Ton. The term loan is secured by :-

- a) Exclusive charge by Hypothecation of proposed Rolling Mill Plant with license capacity of 95000 MTPA & Induction Furnace of 1 x 10 Ton.
- b) First pari passu charge by EM of Factory Land & Building situated at Village Temtema, Tehsil Kharsia, Raigarh (C.G.) and Hyp. Of existing current assets, movable/immovable fixed assets of the company.
- c) The said Term loan is further secured by personal guarantee of promoters / Directors and their relatives and corporate guarantee of M/s Meghna Distributors Pvt. Ltd., M/s Nayantara Mercantile Pvt. Ltd. and M/s Modern Special Wires & Pipes Pvt. Ltd.
- d) The term loan is repayable in 67 monthly installment after moratorium period of 17 months.
- e) Rate of interest of above loan is 10.10% as at 31.03.2023.



VII. Term Loan [Vehicle Loan]

Term Loan of Rs. 40.23 Lacs sanctioned by HDFC Bank as Vehicle Loan. The term loan is secured by :-

- a) Hypothecation of respective vehicles.
- b) The term loan is repayable in equal monthly installments.

VIII. Term Loan [1x6 MVA Ferro Alloy Furnace]

Term Loan of Rs. 1500 Lacs sanctioned by Yes Bank Ltd for installation & reimbursement of capex for 1x6 MVA Ferro Alloy Furnace on 29/09/2022. The term loan is secured by:-

- a) First Pari passu charge on all current assets, movable & immovable fixed assets of the company.
- b) The said Term loan is further collaterally secured by first pari-passu charge over immovable assets of promoters / directors and their relatives, personal guarantee of promoters & owner of the property and corporate guarantee of M/s Meghna Distributors Pvt. Ltd., M/s Nayantara Mercantile Pvt. Ltd. and M/s Modern Special Wires & Pipes Pvt. Ltd.
- c) Rate of interest of above loan is 9.90% as at 31.03.2023.
- d) The sanctioned above said loan is repayable as under:

| Particulars | Sanctioned | Repayment |
|--------------|--------------|--|
| Term Loan-I | Rs 500 Lacs | In 60 structured installments starting from 30/04/2023 to 31/03/2028 |
| Term Loan-II | Rs 1000 Lacs | In 60 installments starting from 31/03/2023 to 29/02/2028 |

The outstanding balances in respect of the above said Loans are as under:

(Rs. in Lacs, unless otherwise stated)

| Particulars | Type | 31/03/2023 | 31/03/2022 |
|---|---------------|----------------|----------------|
| I. Term Loan (COVID Loan) | Term Loan | -- | 59.04 |
| II. Working Capital Term Loan under GECL | Term Loan | 892.24 | 1107.50 |
| III. Working Capital Term Loan under GECL 2.0 Extension | Term Loan | 532.86 | 533.59 |
| TOTAL PUNJAB NATIONAL BANK | | 1425.10 | 1700.13 |
| I. Kotak Mahindra Bank (Repayable in 24 EMI start from Aug 2022, Rate of Interest 15.56%) | Business Loan | 34.94 | -- |
| II. Kotak Mahindra Bank (Repayable in 37 EMI start from March 2022, Rate of Interest 9.40 %) | Vehicle Loan | 12.92 | 18.89 |
| III. Kotak Mahindra Bank (Repayable in 36 EMI start from Aug 2021, Rate of Interest 8.59%) | Vehicle Loan | 32.52 | 54.51 |
| IV. Kotak Mahindra Bank (Repayable in 36 EMI start from Feb 2022, Rate of Interest 10.88%) | Vehicle Loan | 12.89 | 18.89 |



| | | | |
|---|--------------|----------------|----------------|
| V. Kotak Mahindra Bank (Repayable in 36 EMI start from Oct 2021, Rate of Interest 8.51%) | Vehicle Loan | 42.96 | 68.60 |
| TOTAL KOTAK MAHINDRA BANK | | 136.23 | 160.89 |
| I. HDFC Bank | Term Loan | 954.85 | -- |
| II. HDFC Bank (Repayable in 41 EMI start from Nov 2022, Rate of Interest 8.06%) | Vehicle Loan | 19.00 | -- |
| III. HDFC Bank (Repayable in 60 EMI start from Apr 2023, Rate of Interest 8.75%) | Vehicle Loan | 18.93 | -- |
| TOTAL HDFC BANK | | 992.78 | -- |
| Yes Bank Limited | Term Loan | 1495.91 | -- |
| TOTAL SECURED LOAN | | 4050.02 | 1861.02 |

IX. Business Loan (Unsecured)

- The said Term loans are unsecured.
- Loan of Rs. 50.00 Lacs is sanctioned from Tata Capital Limited on 19-05-2022 at rate of interest 16% p.a. Outstanding Balance as on 31.03.2023 is Rs. 33.00 Lacs, Previous Year- NIL
- Loan of Rs. 75.00 Lacs is sanctioned from Aditya Birla Finance Limited on 05-04-2022 at rate of interest 15% p.a. Outstanding Balance as on 31.03.2023 is Rs. 43.38 Lacs, Previous Year- NIL

X. Working Capital Limit from Bank:

- Working Capital Limit of Rs. 8500 Lacs (PY Rs 5000 Lacs) sanctioned under consortium (PY in sole banking arrangement) as under:

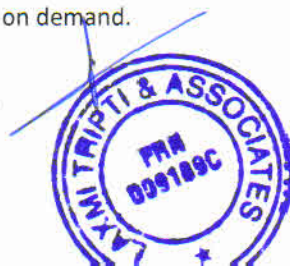
(Rs. in Lacs, unless otherwise stated)

| Bank | 31/03/2023 | 31/03/2022 |
|--|-------------|-------------|
| I. Punjab National Bank (Rate of Interest – 11.05% as at 31.03.2023) | 5000 | 5000 |
| II. HDFC Bank (Rate of Interest – 9.40% as at 31.03.2023) | 2000 | -- |
| III. Yes Bank (Rate of Interest – 9.90% as at 31.03.2023) | 1500 | -- |
| Total | 8500 | 5000 |

The Working Capital Limit is secured by first pari passu charge on all current assets by way of hypothecation of entire stock of Raw Materials, Finished Goods, stock in process, Stores and Spares of the company at the factory premises or at any other places including goods in transit, outstanding moneys, books debts and receivables.

The said Working Capital Limit is further collaterally secured by first pari-passu charge over factory land & building owned by company, immovable assets of promoters / directors and their relatives, personal guarantee of promoters & owner of the property and corporate guarantee of M/s Meghna Distributors Pvt. Ltd., M/s Nayantara Mercantile Pvt. Ltd. and M/s Modern Special Wires & Pipes Pvt. Ltd.

The working capital limits are repayable on demand.



- b) Letter of Credit Limit of Rs. 1000 Lacs sanctioned by HDFC Bank against first parri passu charge by Hyp. of existing movable & immovable fixed assets of the company. The outstating balance of letter of credit issued to supplier for procurement of goods is Rs. 988.25 lacs as on 31/03/2023, Previous Year – NIL and respective supplier had discounted the same from their banks. Accordingly, the said outstanding balance is classified under short term borrowings.
- c) Letter of credit sanctioned from Punjab National Bank against hypothecation over- the goods. Management has informed that the outstanding balance of letter of credit issued to supplier for procurement of goods is Nil, Previous Year Rs 1001.15 Lacs and respective supplier had discounted the same from their banks. Accordingly, the said outstanding balance is classified under short term borrowings.

D. CONTINGENT LIABILITES

The contingent liability, if any in respect of pending assessment under the income tax act, central sales tax, entry tax, commercial tax, Goods and Service Tax etc. has neither been ascertained nor provided for in accounts.

Contingent liability in respect of following demand raised by the Income Tax Department has not been provided for in books of accounts

| Sr. No. | Name of the statute | Nature of Dues | Amount (Rs. in Lacs) | Period to Which amount relates | Forum under which dispute is pending |
|---------|---------------------|----------------|----------------------|--------------------------------|--------------------------------------|
| 1 | Income Tax Act | Income Tax | 249.26 | F.Y. 2010-11 | ITAT, Raipur |
| 2 | Income Tax Act | Income Tax | NIL | F.Y. 2014-15 | CIT Appeal, Centre Circle Raipur |
| 3 | Income Tax Act | Income Tax | 2165.74 | F.Y. 2020-21 | CIT Appeal, Centre Circle Raipur |

As per legal advice, the company is likely to succeed and get full relief in aforesaid matters and accordingly management has decided not to create any provision against the aforesaid disputed liabilities.

- E. The Calculation of deferred tax assets /liabilities is as shown below;

(Rs. in Lacs, unless otherwise stated)

| Sr.No. | Particulars | 31.03.2023 | 31.03.2022 |
|--------|--|------------|------------|
| A | WDV As Per Companies Act (Excluding Land) | 11852.70 | 10485.96 |
| B | WDV As Per Income Tax Act (Excluding Land) | 9559.12 | 8163.35 |
| C | Difference In WDV (A-B) (Net Amount on Which Deferred Tax Liabilities(Assets) provided) | 2293.58 | 2322.61 |
| D | Deferred Tax Liabilities/(Assets) of the Company | 577.25 | 603.88 |
| E | Opening Deferred Tax Liabilities /(Assets) | 603.88 | 635.22 |
| F | Deferred Tax Liabilities Reversed During the Year (E-D) | 26.63 | 31.34 |



- F. The Company has certain dues to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in Lacs, unless otherwise stated)

| Sr.No. | Particulars | 31.03.2023 | 31.03.2022 |
|--------|--|------------|------------|
| A. | The principal amount remaining unpaid to any supplier at the end of the year | 887.55 | 999.27 |
| B. | The interest amount remaining unpaid to any supplier at the end of the year | 4.78 | -- |
| C. | The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of payment made to the suppliers beyond the appointed date during the year | -- | -- |
| D. | The amount of interest due and payable for the year | 4.78 | -- |
| E. | The amount of Interest accrued and remaining unpaid as at 31st March | 4.78 | -- |
| F. | The amount of further interest due and payable even in the succeeding years until such date when the interest dues as above are actually paid. | -- | -- |

To the extent information available with the company and certified by the management. The balances of MSME parties are in the process of confirmation/ reconciliation. Company is in the process of further strengthening system of identifying MSME, through process control. In the opinion of the management, on final reconciliation there will not be any material impact on the principal / interest amount outstanding.

- G. In the opinion of the management and to the best of their knowledge and belief, the value of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet. The provision for all known liabilities and payables are adequate and not in excess of amount reasonably necessary.

H. PAYMENT TO STATUTORY AUDITORS:

(Rs. in Lacs, unless otherwise stated)

| Particulars | 2022-2023 | 2021-2022 |
|---------------------------|-----------|-----------|
| Statutory audit | 8.00 | 3.00 |
| Tax audit | 1.00 | 1.00 |
| Consolidation of accounts | 1.00 | 1.00 |

I. MANAGERIAL REMUNERATION:

(Rs in Lacs, unless otherwise stated)

| Particulars | 2022-2023 | 2021-2022 |
|-----------------------|-----------|-----------|
| Director Remuneration | 102.00 | 61.20 |
| Other Benefits | -- | -- |

J. VALUE OF RAW MATERIALS CONSUMED

(Rs in Lacs, unless otherwise stated)

| | 31.03.2023 | | 31.03.2022 | |
|---|-----------------|------------------|-----------------|------------------|
| | Amount | % of Consumption | Amount | % of Consumption |
| Raw Materials (including Freight, on Purchase) | | | | |
| Imported | Nil | NIL | NIL | NIL |
| Indigenous | 44580.26 | 100 | 39931.72 | 100 |
| Total | 44580.26 | 100 | 39931.72 | 100 |



K. CIF VALUE OF IMPORTS

(Rs in Lacs, unless otherwise stated)

| Description Unit | 2022-2023 | 2021-2022 |
|------------------|-----------|-----------|
| Raw Material | Nil | Nil |
| Consumable | Nil | Nil |

L. EARNING IN FOREIGN CURRENCY

(Rs in Lacs, unless otherwise stated)

| Particulars | 2022-2023 | 2021-2022 |
|-------------|-----------|-----------|
| Others | Nil | Nil |

M. CAPITAL WORK-IN-PROGRESS

Capital work-in-Progress includes Plant and Machinery and office building which is under renovation:

(Rs. in lacs, unless otherwise stated)

| Particulars | 31/03/2023 | 31/03/2022 |
|---|------------|------------|
| Opening Balance | 2138.20 | -- |
| Add: Expenses directly related to Capital Expenditure | 1789.78 | 2138.20 |
| Add: Expenditure Allocated | -- | -- |
| Less: Transferred to Fixed Assets | 2138.20 | -- |
| Less: Amount written back | -- | -- |
| Balance at end of the year | 1789.78 | 2138.20 |

The CWIP ageing schedule as on March 31, 2023 is as follows:

| CWIP | Amount in CWIP for a period of | | | | Total |
|-------------------|--------------------------------|----------|----------|------------------|---------|
| | Less than 1 Year | 1-2 Year | 2-3 Year | More than 3 Year | |
| Plant & Machinery | 1789.78 | -- | -- | -- | 1789.78 |

The CWIP ageing schedule as on March 31, 2022 is as follows:

| CWIP | Amount in CWIP for a period of | | | | Total |
|-------------------|--------------------------------|----------|----------|------------------|---------|
| | Less than 1 Year | 1-2 Year | 2-3 Year | More than 3 Year | |
| Plant & Machinery | 2116.54 | -- | -- | -- | 2116.54 |
| Office Building | 21.66 | -- | -- | -- | 21.66 |

N. Employees Retirement Benefits

The company has first time adopted policy of defined benefit retirement plan (Gratuity) for its employees. The defined benefit obligation of Rs. 60.42 Lacs upto 31/03/2022 has been deducted from Reserves and Surplus directly and defined benefit obligation for Current Year Rs. 35.05 has been debited to Statement of Profit and Loss during the financial year.



The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitle to Gratuity on terms not less favorable than the provision of the payment of gratuity Act, 1972.

The following tables summaries the components of net expenses recognized in the statement of profit and loss and Balance Sheet for the respective plan.

(a) Expenses recognized in the statement of profit and loss for respective years are as follows:
(Rs. in lacs, unless otherwise stated)

| Particulars | Gratuity | |
|-------------------------------------|----------|---------|
| | 2022-23 | 2021-22 |
| Current Service Cost | 31.48 | 20.93* |
| Interest cost on benefit obligation | 4.24 | 2.00* |
| Expected return on plan assets | - | -* |
| Net actuarial (Gain)/ losses | (0.67) | 7.74* |
| Net benefit/ expense | 35.05 | 30.67* |

* Figures for the previous financial year 2021-22 is not recognized in statement of profit & loss during financial year 2021-22 and adjusted with reserve & surplus of current financial year 2022-23.

(b) Net Liability recognized in the balance sheet as at respective dates are as follows:
(Rs. in lacs, unless otherwise stated)

| Particulars | Gratuity | |
|----------------------------|----------------------------|----------------------------|
| | 31 st Mar, 2023 | 31 st Mar, 2022 |
| Defined benefit obligation | 95.47 | 60.42** |
| Net liability | 95.47 | 60.42** |

** Figures for the previous financial year 2021-22 is not recognized in balance sheet of financial year 2021-22 and adjusted with reserve & surplus of current financial year 2022-23.

• O. Earning Per Share (EPS)

(Rs. in Lacs, unless otherwise stated)

| Particulars | 2022-2023 | 2021-2022 |
|--|-------------|-------------|
| Net Profit / (Loss) after tax | 3742.40 | 1293.02 |
| Number of Equity Shares | 6,92,61,880 | 6,52,61,880 |
| Weighted Avg. Number of Equity Shares for calculating Basic Earnings per share | 6,87,13,935 | 6,08,32,779 |
| Weighted Avg. Number of Equity Shares for calculating Diluted Earnings per share | 6,87,13,935 | 6,08,32,779 |
| Nominal Value of Equity Shares | 10/- | 10/- |
| Basic Earnings per share (in Rupees) | 5.45 | 2.13 |
| Diluted Earnings per share (in Rupees) | 5.45 | 2.13 |



- P. The company has surrendered or disclosed following income during search u/s 132 of the Income Tax Act 1961 conducted as on 22/12/2021, as per the details given below:

(Rs. in Lacs, unless otherwise stated)

| S. No. | Particulars | Amount 2022-23 | Amount 2021-22 | Remarks |
|--------|---|-------------------|-------------------|-----------------------------------|
| 1 | On Account of variation between inventory | -- | 637.92 | Recorded in books of accounts |
| 2 | Unrecorded income during FY 2021-22 | -- | 156.44 | Not recorded in books of Accounts |

The Company has received notice u/s 148 of Income Tax Act, 1961 for AY 2019-20 and 2020-21. In response to the said notice the company has disclosed income and filed returns after end of financial Year 2022-23. Company had disclosed Income as per details given below:

| S. No. | Particulars | Amount (Rs. In Lacs) | Remarks |
|--------|--|-------------------------|-----------------------------------|
| 1 | Unrecorded income during FY 2018-19 | 201.83 | Not recorded in books of Accounts |
| 2 | Unrecorded income during FY 2019-20 | 182.67 | Not recorded in books of Accounts |
| 3 | Unrecorded income during FY 2020-21 [Return Filed u/s 139(1) of Income Tax Act, 1961 on 14.03.2022] | 621.00 | Not recorded in books of Accounts |

Q. Related Party Disclosure (As identified by the management)

As per accounting standard-18 on "Related Party Disclosure", related parties of the company are disclosed below:

i) Subsidiaries:

- M/s Nayantara Mercantile Pvt Ltd. (ceased as subsidiary on – 14/03/2023)
- M/s Meghna Distributors Pvt Ltd. (ceased as subsidiary on – 18/03/2023)

ii) Key Management Personnel:

- Mr. Arun Singhal (Resigned on-18/03/2023)
- Mr. Ravi Singhal
- Mr. Sandeep Aggarwal
- Mr. Vinay Kumar Aggarwal (Resigned on -18/03/2023)
- Mr. Sanjay Goyal
- Mr. Sandeep Singhal (Resigned on -18/03/2023)
- Mr. Vikas Agarwal (Resigned on -18/03/2023)

iii) Relatives of Key Management Personnel:

- Mr. Sunil Singhal, Brother of Sandeep Singhal
- Mr. Abhijeet Agarwal, Son of Vinay Agrawal
- Mr. Ram Pal Agarwal, Father of Vinay Agrawal
- Ms. Khushi Agarwal, Daughter of Vinay Agrawal
- Mrs. Chameli Singhal, Mother of Sandeep Singhal
- Mrs. Nisha Singhal, Wife of Ravi Singhal



iv) Entities over which Key Management Personnel and/or their relatives are able to exercise significant influence:

- M/s S.K. Enterprises, Proprietorship Firm of Spouse of Ravi Singhal, Director
- M/s Supreme Road Transport (P) Ltd., Director's Brother is Director
- M/s Pankaj Logistics, Proprietorship Firm of Father of Ravi Singhal, Director
- M/s Modern Special Wire and Pipe Pvt. Ltd., Director's Brother is Director
- M/s A K Enterprises, Proprietorship Firm of Son of Vinay Agrawal, Director
- M/s Shri Ram Enterprises, Proprietorship Firm of Brother of Director
- M/s GSR Enterprises, Proprietorship Firm of son of Sanjay Goyal, Director
- M/s Sandeep Agrawal HUF, Director is Karta
- M/s C G Sai Baba Land Developers Private Limited, Common Director
- M/s Shree Balaji Infrastructure, Director is Partner

b) Transactions with Related Parties

(Rs in Lacs, unless otherwise stated)

| S.No. | Nature of Transaction | Name of Party | Amount | Amount |
|---|--|-------------------------------|--------|--------|
| | | | 2023 | 2022 |
| Transaction with Entities mentioned in (i) above | | | | |
| 1 | Loans and Advances recovered | Meghna Distributors Pvt. Ltd. | 31.46 | - |
| 2 | Loans and Advances Given | Meghna Distributors Pvt. Ltd. | - | 27.19 |
| Transaction with Entities mentioned in (ii) above | | | | |
| 1 | Director Remuneration | Ravi Singhal | 36.00 | 16.00 |
| 2 | Director Remuneration | Sandeep Aggarwal | 12.00 | 6.00 |
| 3 | Director Remuneration | Sanjay K. Goyal | 18.00 | 9.60 |
| 4 | Director Remuneration | Vinay Agarwal | 24.00 | 24.00 |
| 5 | Director Remuneration | Vikas Agrawal | 12.00 | 6.00 |
| 6 | Unsecured Loan Received | Vikas Kumar Agrawal | 33.00 | - |
| 7 | Unsecured Loan Received | Ravi Singhal | - | 725.6 |
| 8 | Unsecured Loan Repaid (Including TDS) | Ravi Singhal | 83.33 | 642.27 |
| 9 | Opening Interest Payable Paid | Ravi Singhal | 30.87 | - |
| 10 | Rent | Ravi Singhal | 1.80 | 1.05 |
| 11 | Interest | Ravi Singhal | - | 70.19 |
| 12 | Loans & Advance Recovered | Ravi Singhal | - | 16.09 |
| 13 | Unsecured Loan Received | Sandeep Agrawal | - | 145.00 |
| 14 | Unsecured Loan Repaid (Including TDS) | Sandeep Agrawal | 30.70 | 81.46 |
| 15 | Unsecured Loan Repaid (Including TDS) | Vikas Kumar Agrawal | 32.00 | - |
| 16 | Interest Paid | Sandeep Agrawal | 6.98 | 10.56 |





| Transaction with Entities mentioned in (iii) above | | | | |
|--|---|---|---------|---------|
| 1 | Salary Paid | Abhijeet Agrawal | 12.00 | 12.00 |
| 2 | Salary Paid | Sunil Singhal | 12.00 | 7.00 |
| 3 | Salary Paid | Ram Pal Agrawal | 11.25 | 6.75 |
| 4 | Salary Paid | Khushi Agrawal | - | 9.00 |
| 5 | Commission Paid | Khushi Agrawal | 10.84 | - |
| 6 | Loans and Advances Given | Chameli Singhal | 0.18 | 2.77 |
| 7 | Loans and Advances recovered | Chameli Singhal | 2.95 | - |
| 8 | Loans and Advances Given | Nisha Singhal | - | 12.53 |
| 9 | Loans and Advances recovered | Nisha Singhal | 12.53 | - |
| Transaction with Entities mentioned in (iv) above | | | | |
| 1 | Unsecured Loan Repaid (Including TDS) | S. K. Enterprises | 193.06 | 735.48 |
| 2 | Unsecured Loan Received | S. K. Enterprises | 8.63 | 1568.17 |
| 3 | Interest Paid | S. K. Enterprises | - | 36.50 |
| 4 | Purchase (Including Taxes) | S. K. Enterprises | - | 3.94 |
| 5 | Freight and Carriage Paid | Supreme Road Transport (P) Ltd. | 485.88 | 78.35 |
| 6 | Unsecured Loan Received | Supreme Road Transport (P) Ltd. | - | 25.00 |
| 7 | Unsecured Loan Repaid (Including TDS) | Supreme Road Transport (P) Ltd. | - | 25.00 |
| 8 | Unsecured Loan Received | Pankaj Logistics | 190.00 | 362.00 |
| 9 | Unsecured Loan Repaid (Including TDS) | Pankaj Logistics | 190.00 | 423.99 |
| 10 | Freight and Carriage Paid | Pankaj Logistics | - | 0.18 |
| 11 | Allotment of Share | Pankaj Logistics | - | 864.00 |
| 12 | Unsecured Loan Received (Including conversion of creditors) | Modern Special Wires & Pipes Pvt. Ltd, Raipur | 170.00 | - |
| 13 | Unsecured Loan Repaid (Including TDS) | Modern Special Wires & Pipes Pvt. Ltd, Raipur | 64.03 | 396.20 |
| 14 | Unsecured Loan Repaid vide conversion into share capital | Modern Special Wires & Pipes Pvt. Ltd, Raipur | 270.00 | - |
| 15 | Unsecured Loan Repaid vide conversion into share capital | Modern Special Wires & Pipes Pvt. Ltd, Raipur | 270.00 | - |
| 16 | Purchase of Goods (Including Taxes) | Modern Special Wires & Pipes Pvt. Ltd, Raipur | 1011.41 | 1173.04 |
| 17 | Unsecured Loan Received | A K Enterpirses | 20.00 | 541.05 |
| 18 | Unsecured Loan Repaid (Including TDS) | A K Enterpirses | 164.58 | 310.03 |
| 19 | Interest | A K Enterpirses | - | 51.62 |
| 20 | Unsecured Loan Repaid vide conversion into share capital | A K Enterpirses | 270.00 | - |
| 21 | Purchase of Goods (Including Taxes) | A K Enterpirses | 2136.13 | 2468.42 |
| 22 | Sale of Goods (Including Taxes) | A K Enterpirses | - | 64.41 |
| 23 | Unsecured Loan Received | Shri Ram Enterprises | - | 65.00 |



| | | | | |
|----|---------------------------------------|--|--------|--------|
| 24 | Unsecured Loan Repaid (Including TDS) | Shri Ram Enterprises | - | 65.00 |
| 25 | Purchase of Goods (Including Taxes) | GSR Enterprises | 4.00 | 71.42 |
| 26 | Unsecured Loan Received | GSR Enterprises | 3.77 | 147.19 |
| 27 | Unsecured Loan Repaid (Including TDS) | GSR Enterprises | - | 80.00 |
| 28 | Unsecured Loan Repaid (Including TDS) | M/s Sandeep Agrawal HUF | 0.39 | 0.33 |
| 29 | Interest Paid | M/s Sandeep Agrawal HUF | 3.94 | 3.27 |
| 30 | Unsecured Loan Received | M/s Sandeep Agrawal HUF | - | 30.00 |
| 31 | Unsecured Loan Repaid (Including TDS) | C G Sai Baba Land Developers Private Limited | 232.00 | - |
| 32 | Unsecured Loan Repaid (Including TDS) | M/s Shree Balaji Enterprises | 0.96 | 48.85 |

(Rs in Lacs, unless otherwise stated)

| Balances Receivable / (Payable) with Related Parties | Balance as at | Transaction with Party no. i | Transaction with Party no. ii | Transaction with Party no. iii | Transaction with Party no. iv |
|--|---------------|------------------------------|-------------------------------|--------------------------------|-------------------------------|
| Director Remuneration Payable | 31-03-2022 | - | 8.10 | - | |
| | 31-03-2023 | - | - | - | |
| Unsecured Loan Payables | 31-03-2022 | - | 157.43 | - | 2522.84 |
| | 31-03-2023 | - | 51.38 | - | 945.04 |
| Trade Payable | 31-03-2022 | - | 1.05 | - | 8.47 |
| | 31-03-2023 | - | - | 10.30 | 59.69 |
| Salary Payable | 31-03-2022 | - | - | 6.10 | |
| | 31-03-2023 | - | - | - | |
| Interest Payable | 31-03-2022 | - | 30.87 | - | - |
| | 31-03-2023 | - | - | - | - |
| Loans & Advances | 31-03-2022 | 31.46 | | 15.30 | |
| | 31-03-2023 | - | | | |

- R. The Company operates in one business segment, therefore segmental information has not been furnished.
- S. On the basis of clinching with few suppliers, they have in-principally agreed to convert their outstanding balance through book entries into Unsecured loan.
- T. The Company has approached to lenders to Invest in the equity of the company. In turn they have in-principally agreed to convert their outstanding balance through book entries into Share Application Money for allotment of Equity shares of Rs 10/- each at face value. The Financial Statement have been prepared by reclassification of these parties from "Unsecured Loan"/"Other payable" into "Share Application Money"



U. The balance of Unsecured Loan, Trade Payables, Trade Receivables, Advance from Customers and Advances recoverable at the end of year are realizable / payable at value as stated in financial statements. Any difference in the amount and its consequential effect on the profit / loss of the company or its state of affairs can be known only on reconciliation at time of settlement of account and the same shall be accounted in the year of reconciliation / settlement.

V. During the year, the company has divested its entire stake in subsidiary companies viz. Nayantara Mercantile Private Limited & Meghna Distributors Private Limited, accordingly the net gain of Rs.6.21 lacs on disposal of stake in the said subsidiaries has been shown under other income. Similarly, during the previous year Nil has been shown under other income.

W. OTHER REGULATORY DISCLOSURES AS REQUIRED UNDER REVISED SCHEDULE III OF COMPANIES ACT, 2013

- i. There is no immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour the lessee), whose title deeds are not held in the name of the company.
- ii. The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- iii. There is Capital Work in Progress (CWIP) as on Balance Sheet. For ageing details refer note 9A of Notes to Accounts.
- iv. There are no intangible assets under development during the year.
- v. No Proceeding has been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- vi. During the year, 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 generally in agreement with the books of account of the Company.
- vii. Company has not been declared as willful defaulter by Bank or Financial institution or other lender.
- viii. As per the information available with the company, the company has not transacted during the year with any companies struck off under Section 248 of the Companies Act, 2013 or under Section 560 of the Companies Act, 1956.
- ix. There have been no charges which yet to be registered with the Registrar of Companies (ROC) beyond the statutory period. However, charge with HDFC bank is pending due to non-approval of same in consortium meeting of the Banks.
- x. Compliance of number of layers prescribed under (87) of section 2 of the Act read with companies (Registration of number of layers) Rule, 2017 is not applicable to the company.
- xi. The company has no Scheme of Arrangements in term of section 230 to 237 of the Companies Act, 2013 during the year
- xii. A. Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources) to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.



B. Company has not received any fund from any person(s) or entity (ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) 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

(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

xiii. Financial Ratios:

| S.No. | Ratio | Numerator | Denominator | As at March 31, 2023 | As at March 31, 2022 | % change during the year | Reason for variance > 25% |
|-------|--|--|--|----------------------|----------------------|--------------------------|--|
| 1 | Current ratio (Times) | Total current assets | Total current liabilities | 1.39 | 1.39 | -0.05% | NA |
| 2 | Debt-Equity ratio (Times) | Total Debt | Total shareholders fund | 1.11 | 1.94 | -42.82% | Increase in Shareholders Fund |
| 3 | Debt service coverage ratio (Times) | Earning for Debt Service (excluding Interest on Short Term borrowings) | Debt service (excluding USL and Short Term borrowings) | 8.25 | 3.56 | 131.42% | Increase in Earnings |
| 4 | Return on equity ratio (%) | Profit for the year | Average Total shareholders fund | 38.01% | 18.22% | 108.58% | Increase in Earnings & Increase in Shareholders Fund |
| 5 | Inventory turnover ratio (Times) | Net Sales | Average inventory | 5.40 | 5.43 | -0.56% | NA |
| 6 | Trade receivables turnover ratio (Times) | Net credit Sales | Average trade receivables | 47.89 | 42.14 | 13.65% | NA |
| 7 | Trade payables turnover ratio (Times) | Total Purchases | Average trade payables | 25.68 | 21.13 | 21.55% | NA |
| 8 | Net capital turnover ratio (Times) | Net Sales | Average working capital | 13.90 | 18.31 | -24.08% | NA |
| 9 | Net profit ratio (%) | Profit for the year | Revenue from operations | 6.76% | 2.69% | 151.63% | Increase in Earnings |
| 10 | Return on capital employed (%) | Profit before tax and finance costs | Total assets- total current liabilities | 30.41% | 17.55% | 73.34% | Increase in Earnings |
| 11 | Return on Investment (%) | Income from Investment | Average Investment | 0.00% | 0.00% | - | NA |

xiv. Company has not traded or invested in Crypto currency or virtual currency during the financial year ended March 31, 2023.



- xv. The company is covered under section 135 of the Companies Act, 2013.

CSR EXPENSES:

(Rs in Lacs, unless otherwise stated)

| Particulars | Current Year 31.03.2023 | Previous Year 31.03.2022 |
|--|---|-----------------------------|
| Amount required to be spent | 30.64 | 13.55 |
| Amount of expenditure incurred | 31.45 | 15.00 |
| Shortfall at the end of the year | Nil | Nil |
| Total of previous years shortfall | Nil | Nil |
| Reason for shortfall | NA | NA |
| Nature of CSR activities | Rural Development and Sports Promotion | Rural Development |
| Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard. | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | NA | NA |

- xvi. There has been no search or survey carried out in the premises Company under the Income Tax Act, 1961.
- xvii. The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- xviii. The Company has not given any loans or advances in the nature of loans to Promoters, Directors, Key Managerial Personnel and Related parties, which are repayable on demand or without specifying any terms or period of repayment during the year.

As per our Report of even date
For LAXMI TRIPTI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.N. 009189C

ANAND KUMAR AGRAWAL
PARTNER
Membership No. 075575

Place: Raipur

Date: The 28th Day of August 2023



FOR AND ON BEHALF OF THE BOARD
For, Sky Alloys And Power Limited For, Sky Alloys And Power Limited

Managing Director
RAVI SINGHAL
MANAGING DIRECTOR
(DIN: 01197349)

AAKANSHA VAID
COMPANY SECRETARY
(M NO. A33013)

SANJAY GOYAL
DIRECTOR
(DIN: 01197272)

DIVYAVIJAY SINGH VAID
CFO