

**ADITYA ULTRA STEEL LIMITED**

**[CIN: U27100G]2011PLC066552]**



**THIRTEENTH ANNUAL REPORT**

**F.Y. 2023-24**

**CORPORATE INFORMATION****DIRECTORS**

1. Mr. Varun Jain	Non-Executive Director (w.e.f 17.02.2024)
2. Mr. Sunny Singhi	Director (upto 25.11.2023)
3. Mr. Murari Agarwal	Director (w.e.f 20.12.2023 upto 12.02.2024)
4. Mr. Manas Shah	Director (upto 20.12.2023)
5. Mr. Piyush Bhatt	Director (w.e.f 20.12.2023)
6. Ms. Sapna Jain	Director (w.e.f 20.12.2023)
7. Mr. Manojkumar Jain	Director (w.e.f 30.11.2023 upto 20.01.2024)

**KEY MANAGERIAL PERSONNEL**

1. Mr. Varun Jain	Chairman and Managing Director (upto 17.02.2024)
2. Mr. Sunny Singhi	Whole time Director (w.e.f from 25.11.2023 upto 17.02.2024) Chairman and Managing Director (w.e.f 17.02.2024)
3. Mrs. Varuna Jain	Whole-Time Director (upto 11.12.2023)
4. Mr. Maheshbhai Gulwani	Chief Financial Officer (upto 01.06.2024)
5. Mr. Amitkumar Sarena	Chief Financial Officer (w.e.f 01.06.2024)
6. Ms. Tina Mulani	Company Secretary (w.e.f 30.11.2023 upto 01.06.2024)
7. Mr. Vikas Panwar	Company Secretary (w.e.f 01.06.2024)

**AUDIT COMMITTEE:**

Name of the Director	Designation
Mr. Piyush Ravishanker Bhatt	Chairman
Mrs. Sapna Jain	Member
Mr. Varun Manojkumar Jain	Member

**NOMINATION & REMUNERATION COMMITTEE:**

Name of the Director	Designation
Mr. Piyush Ravishanker Bhatt	Chairman
Mrs. Sapna Jain	Member
Mr. Varun Manojkumar Jain	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

Name of the Director	Designation
Piyush Ravishanker Bhatt	Chairman
Sapna Jain	Member
Sunny Sunil Singhi	Member

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

<b>Name of the Director</b>	<b>Designation</b>
Mr. Varun Manojkumar Jain	Chairman
Mr. Sunny Sunil Singhi	Member
Mrs. Sapna Jain	Member

**KEY CONTACT PERSON**

Mr. Vikas Panwar  
Email: cs@aditya-ultra-steel.com

Company Secretary & Chief Financial Officer

**BANKERS**

HDFC Bank Limited  
Lower Parel, Mumbai

**STATUTORY AUDITORS**

S.N. Shah & Associates  
Chartered Accountants, Ahmedabad

**COST AUDITORS**

M/s. Anuj Aggarwal & Co.,  
Cost Accountants, Ahmedabad

**INTERNAL AUDITORS**

M/s. N R Kala & Associates,  
Chartered Accountants, Ahmedabad

**SECRETARIAL AUDITORS**

M/s. K Jatin & Co.,  
Company Secretaries, Ahmedabad

**REGISTERED OFFICE:**

Survey No-48, Wankarner Boudry, Bhalgam, National Highway 8-A,  
Wankaner, Rajkot, Gujarat, India, 363621

**CORPORATE IDENTITY NUMBER:** U27100GJ2011PLC066552

**WEBSITE:** www.aditya-ultra-steel.com

**EMAIL:** finance@aditya-ultra-steel.com

**ADITYA ULTRA STEEL LIMITED**

CIN: U27100GJ2011PLC066552

Registered Office: Survey No-48, Wankarner Boudry, Bhalgam, National Highway 8-A,  
Wankaner, Rajkot, Gujarat, India, 363621

Mo. No.: 6357585716, E-Mail: finance@adityaultrasteel.com

Website: www.aditya-ultra-steel.com

**DIRECTORS' REPORT**To,  
The Members,

The Board of Directors (the "Board") of Aditya Ultra Steel Limited ("your Company"/ "the Company") is pleased to present the 13<sup>th</sup> (Thirteenth) Annual Report and the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2024 ("financial year under review").

**FINANCIALS SUMMARY AND HIGHLIGHTS:**

(₹ in Lakhs)

Particulars	2023-24	2022-23
Revenue from operations	58780.08	53044.78
Other Income	79.52	113.11
<b>Total revenue</b>	<b>58859.60</b>	<b>53157.90</b>
<b>Expenditure</b>		
Cost of material consumed	38099.45	49284.74
Purchase of Trading goods	15424.26	599.47
Change in inventories	(337.18)	(2175.51)
Financial Cost	643.94	454.24
Employee benefits expenses	819.95	835.57
Depreciation and Amortisation Expense	164.04	155.02
Other expenses	2972.22	3512.52
<b>Total expenses</b>	<b>57786.68</b>	<b>52666.06</b>
<b>Profit before exceptional and extra ordinary items and tax</b>	<b>1072.92</b>	<b>491.84</b>
<b>Profit before tax</b>	<b>1072.92</b>	<b>491.84</b>
<b>Tax expense:</b>		
Current Tax	(261.45)	(121.85)
Deferred Tax	(42.54)	-
<b>Net profit for the year</b>	<b>768.94</b>	<b>370.00</b>
<b>Earning per equity shares (Basic &amp; Diluted)</b>	<b>4.49</b>	<b>3.03</b>

**THE STATE OF THE COMPANY'S AFFAIRS:**

The Company was incorporated on 27<sup>th</sup> July, 2011. Your company is engaged in manufacturing of thermo-mechanically-treated (TMT) bars.

The demand for TMT bars is growing due to the construction industry's expansion and the need for steel in infrastructure development. India's TMT bar market is expected to grow significantly between 2022 and 2030. In FY23, India consumed 50.3 million tonnes of TMT bars, which is up from 46 million tonnes in the previous fiscal year.

During the Financial year, under review, the Company has made remarkable growth as mentioned below in terms of Revenue and Profit.

- i. The total income of the Company increased by 10.73 % at Rs. 58859.60 Lakhs (Previous year Rs. 53157.90 Lakhs).
- ii. The Total Expenses has been increased by Rs. 5120.62 Lakhs as compared to last year (Previous year Rs. 52666.06 Lakhs)
- iii. The Profit before Tax was at Rs. 1072.92 Lakhs against the previous year Profit of Rs. 491.84 Lakhs and the Net Profit after Tax stood at Rs. 768.94 Lakhs for the year 2023-24 compare to previous year Net Profit after tax was Rs. 370.00 Lakhs.

#### **INITIAL PUBLIC OFFER:**

Initial Public Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on May 17, 2024 and by the Shareholder of our Company, vide a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting held on May 18, 2024. The company has filed the Draft Red Herring Prospectus with NSE for in-principle for listing on NSE emerge platform (SME Listing) and the company has received the in-principle approval from NSE dated 27/08/2024. Initial Public Offer is 74,00,000 fully paid equity shares of face value of Rs. 10 each at price decided through book building process. Prospectus are available on the website of the company i.e. [www.aditya-ultra-steel.com](http://www.aditya-ultra-steel.com).

#### **CAPITAL STRUCTURE OF THE COMPANY:**

During the year under review, the company has increased its authorized share capital from Rs. 20,00,00,000/- (Rupees Twenty Crores) i.e. 2,00,00,000 (Two Crores) shares of Rs. 10/- (Rupees Ten) each to Rs. 25,00,00,000/- (Rupees Twenty-Five Crores) i.e. 2,50,00,000 (Two Crores Fifty Lakhs) shares of Rs. 10/- (Rupees Ten) each.

The Board of Directors in the Board Meeting held on 25/11/2023 passed a resolution to issue 1,11,120 shares on private placement basis. However, the Board in their meeting held on 03/01/2024 made a strategic decision by passing a resolution to refund the share application money.

The Board of Directors in the Board Meeting held on 10/01/2024 for the second time passed a resolution to issue 1,11,120 shares on private placement basis. The Board in their meeting held on 13/02/2024 allotted 1,11,120 (One Lakh Eleven Thousand One Hundred Twenty) fully paid up equity shares of Rs 10/- each of on private placement basis. As a result, the paid-up share capital of the company increased from Rs. 12,20,00,000/- (Rupees Twelve Crores Twenty Lakhs) to Rs. 12,31,11,200/- (Rupees Twelve Crore Thirty-One Lakh Eleven Thousand Two Hundred) i.e. 1,23,11,120 (One

Cröre Twenty-Three Lakh Eleven Thousand One Hundred Twenty) Shares of Rs. 10/- (Ten) each.

Then after, for rationalizing its capital structure the Board of Directors in the Board Meeting held on 14/02/2024 passed a resolution to issue Bonus Shares in the ratio of 2:5 which were allotted in the Board meeting held on 16/02/2024. As a result, the total number shares increased from 1,23,11,120 (One Crore Twenty-Three Lakh Eleven Thousand One Hundred Twenty) to 1,72,35,568 (One Crore Seventy-Two Lakh Thirty-Five Thousand Five Hundred Sixty-Eight) and paid-up share capital increased from Rs. 12,31,11,200/- (Rupees Twelve Crore Thirty-One Lakh Eleven Thousand Two Hundred) to Rs. 17,23,55,680 (Rupees Seventeen Crore Twenty-Three Lakh Fifty-Five Thousand Six Hundred Eighty).

#### **TRANSFER TO RESERVE:**

Your Directors proposes to retain an amount of Rs. 768.94 Lakh in the statement of profit & loss account and not transferred to any reserves.

#### **DIVIDEND:**

Your Directors in order to conserve the resources do not recommend any dividend for the year 2023-24 under review.

#### **CHANGE IN NATURE OF COMPANY'S BUSINESS:**

During the year under review, there is no change in the nature of company's Business.

#### **DETAILS OF DIRECTORS / KEY MANAGERIAL PERSONNEL APPOINTED / RESIGNED:**

##### **i. Retirement by Rotation:**

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Varun Jain (DIN: 03502561), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your directors recommend his re-appointment.

##### **ii. Appointment/Cessation:**

- During the year under review, there was change in the constitution of the Board of Directors of the Company and the following Directors were on the Board of the Company as on 31<sup>st</sup> March, 2024:

Name of Director	Date of Change	Reason for Change
Mr. Sunny Sunil Singhi	February 19, 2024	Re-designated as a Chairman and Managing Director
Mr. Varun Manojkumar Jain	February 19, 2024	Re-designated as a Non-Executive Director
Mr. Murari Agarwal	February 12, 2024	Resignation as a Non-Executive Independent Director
Mr. Manoj Kumar Jain	January 20, 2024	Resignation as a Director

Mr. Manoj Kumar Jain	December 20, 2023	Regularization as Director
Mr. Sunny Sunil Singh	December 20, 2023	Re- appointed as a Whole Time Director
Mr. Manas Rajivbhai Shah	December 20, 2023	Resignation as a Non-Executive Independent Director
Mr. Murari Agarwal	December 20, 2023	Appointment as a Non-Executive Independent Director
Mrs. Sapna Jain	December 20, 2023	Appointment as a Non-Executive Independent Director
Mr. Piyush Ravishanker Bhatt	December 20, 2023	Appointment as a Non-Executive Independent Director
Mrs. Varuna Jain	December 11, 2023	Resignation as a Director
Mr. Manoj Kumar Jain	November 30, 2023	Appointment as an Additional Director
Mrs. Varuna Jain	August 1, 2023	Re-appointed as a Whole Time Director
Mr. Varun Manojkumar Jain	August 1, 2023	Re-appointed as a Managing Director
Mr. Sunny Sunil Singhi	October 9, 2021	Appointment as a Whole Time Director

- **Key Managerial Personnel:**

During the year, the following changes occurred:

Name of Key Managerial Personnel	Designation	Date of Change	Reason for Change
Ms. Tina Mulani	Company Secretary	November 30, 2023	Appointment
Mr. Kapil Dev Panchal	Senior Management Personnel- Plant Manager	March 25, 2024	Appointment
Mr. Prabhu Dayal Dhard	Senior Management Personnel- General Manager	March 25, 2024	Appointment
Mr. Maheshbhai Thakordas Gulwani	Chief Financial Officer	June 01, 2024	Resignation
Ms. Tina Mulani	Company Secretary	June 01, 2024	Resignation
Mr. Amitkumar Harsukhbhai Sarena	Chief Financial Officer	June 01, 2024	Appointment
Mr. Vikas Babusingh Panwar	Company Secretary	June 01, 2024	Appointment

**DETAILS OF HOLDING / SUBSIDIARY COMPANIES / JOINT VENTURES / ASSOCIATE COMPANIES:**

The Company doesn't have any Holding/ Subsidiary/ Joint Ventures/ Associate Companies at the start of the year, during the year or at the end of the year and hence there is no requirement of giving the statement containing the salient feature of the financial statement of the company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures.

**DECLARATION BY INDEPENDENT DIRECTORS:**

During the Financial year under review, Declarations were received from all the Independent Directors of the Company stating that they satisfy the "criteria of Independence" as defined under Regulation 16(b) & 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Section 149(6) of the Companies Act, 2013, any other applicable Schedules and Rules framed there-under.

Further in the opinion of the Board, the independent directors possess requisite expertise, experience and integrity. All the independent directors on the Board of the Company are registered with the Indian Institute of Corporate Affairs, Manesar, Gurgaon as notified by the Central Government under Section 150(1) of the Companies Act, 2013 and as applicable shall undergo online proficiency self-assessment test within the time prescribed by the IICA.

**DISCLOSURE UNDER SECTION 164(2) OF THE COMPANIES ACT, 2013:**

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or re-appointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

**DEPOSIT:**

The Company has not invited/accepted any Deposit within the meaning of Chapter V of the Companies Act, 2013 other than exempted deposit as prescribed under the Companies Act, 2013. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS:**

During the year under review, there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status or which may have impact on the Company's operation in future.

**Pending material litigations against our Company:**

An application bearing Company Petition No. CP/19(AHM) of 2022 has been filed under sections 73(4) and 76(2) of the Companies Act, 2013 read along with Companies (Acceptance of Deposits) Rules, 2014 ("Application") by Mr. Mujlibhai Karamshibhai Patel and Mr. Sandipkumar Karamshibhai Patel (collectively, "Applicants") against our

Company before the Hon'ble National Company Law Tribunal, Ahmedabad Bench at Ahmedabad ("NCLT"). The matter is relating to a dispute arising out of the deposit amounts ("Deposits") that are payable to the Applicants by our Company. The Applicants in the Application have prayed for payment of Deposits made by the Applicants amounting to ₹ 48.13 lakh along with interest on account of its default in repayment of amounts given as Deposits in the form of unsecured loan by the Applicants at an agreed rate of interest. Further, the Applicants alleged that since our Company had not replied to certain letters sent to it by the Applicants seeking repayment, the Applicants had filed a complaint under investor compliant form with the RoC for default in repayment of Deposits. Thereafter, the RoC had issued a notice dated July 31, 2020 ("Notice") to our Company in relation to the aforementioned complaint. The Applicants stated that since no reply was received by them from the RoC, the Applicant has filed the Application before the NCLT. However, our Company had duly sent a reply to the Notice on October 10, 2020 denying all the claims of the Applicants, including the receipt of Deposits from the Applicants, and the existence of any liability with respect to the repayment of any dues to the Applicants in view of a memorandum of understanding ("MoU") executed on May 1, 2016 by and between the promoters, shareholders, and past directors of our Company, including the Applicants on one part, and our Company, including the present shareholders and directors, on the other part. The MoU lays down certain terms and conditions pertaining to transfer of 100% shareholding of our Company from the past directors to the present directors of our Company. Through the MoU, the Applicants, being the erstwhile directors, had waived-off all past liabilities of our Company with respect to payment of dues except an amount of ₹11.75 Cr not attributable to the Applicants. The MoU further lays down that the liability with respect to all dues payable before the date of execution of the MoU (inclusive) would be that of the transferors of the shareholding, i.e., the past directors, including the Applicants themselves, who had resigned from the directorship of our Company before the execution of the MoU. The matter is presently pending.

#### **INTERNAL FINANCIAL CONTROLS:**

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Pursuant to Rule 8 (3) of Companies (Accounts) Rules, 2014 and section 134 of the Companies Act, 2013, the Company has effectively taken steps for conservation of resources and all effective measures have been taken to save energy.

#### **(A) Conservation of energy-**

Sr. No.	Particulars	Details
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1.	The steps taken or impact on conservation of energy	The company is proposing to install solar power plant at Nos. 105, 106 p1, 108 & 109 Village: Kundani, Sub-Dist. Jasdan, Dist. Rajkot.
2.	The steps taken by the company for utilizing alternate sources of energy.	Installation of Solar Power plant.

The proposed capital investment on energy conservation equipment:

Sr. No	Model	Capacity (KWP)	Installation type	Module Wp/Make	Amount (₹ in Lakhs)
1.	Ground Mounted	5000	Grid Connected Solar PV Plant	Mono Bi-Facial (Greater than 500 Wp)	1530.00
2. Other Government Regulatory Charges					5.00
					1535.00

#### **(B) Technology absorption-**

The Company has taken precautionary steps for technology absorption by implementing various measures & efforts which improve the productivity of the machineries, improve quality of a product, reduce the cost of a manufacturing and no specific investment has been made in reduction in technology absorption.

#### **(C) Foreign exchange earnings and Outgo-**

During the period under review foreign exchange earnings or out flow reported as follow:  
(Rs. in Lacs)

Particulars	Amount In Foreign currency
Out Flow	NIL
Earning	NIL

#### **VIGIL MECHANISM**

Pursuant to Section 177(9) of the Companies Act, 2013, the company has adopted Whistle Blower Policy to deal with any instance of fraud and mismanagement. The employees of the company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the Audit Committee under this policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern.

#### **NUMBER OF BOARD MEETINGS:**

The calendar of meetings to be held in a year is decided in advance by the Board and circulated to the Directors. The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

During the year, 27 meetings of the Board were held during the financial year 2023-24 on following dates.

23.06.2023, 04.07.2023, 29.07.2023, 31.07.2023, 24.08.2023, 26.08.2023, 12.09.2023, 26.09.2023, 30.09.2023, 07.11.2023, 25.11.2023, 30.11.2023, 11.12.2023, 13.12.2023, 14.12.2023, 20.12.2023, 03.01.2024, 04.01.2024, 10.01.2024, 20.01.2024, 13.02.2024, 14.02.2024, 16.02.2024, 17.02.2024, 19.02.2024, 01.03.2024, 14.03.2024.

### **AUDIT COMMITTEE**

During the financial year 2023-24, due to resignation of independent directors and non-executive directors, the audit committee was reconstituted by the board.

The Committee comprises of 3 Non-Executive Director and the Chairman being an Independent Director. The Composition of the Committee as on 31<sup>st</sup> March 2024 and attendance of the members is given hereunder:

Sr. No.	Name of Members	Member/Chairman
1.	Mr. Manas Shah	Chairman (upto 20.12.2023)
2.	Mr. Piyush Bhatt	Chairman (w.e.f 20.12.2023)
3.	Mr. Varun Jain	Member (upto 20.12.2023) and then w.e.f. 17.02.2024)
4.	Mr. Sunny Singhi	Member (upto 20.12.2023)
5.	Ms. Sapna Jain	Member (w.e.f 20.12.2023)
6.	Mr. Murari Agarwal	Member (w.e.f 20.12.2023 upto 17.02.2024)

During the Financial year 2023-24, 6 meetings of the Audit Committee were held on following dates:

30.06.2023, 24.08.2023, 26.08.2023, 26.09.2023, 03.01.2024, 19.02.2024.

Requisite quorum was present during the meetings.

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process to ensure accurate and timely disclosures, integrity and quality of financial reporting. The Committee oversees related party transactions, the work carried out in the financial reporting process by the

management, the Statutory Auditors, Internal Auditor, the Cost Auditor, the Secretarial Auditor and notes the processes and safeguards employed by each of them.

The Company Secretary of the Company acts as Secretary of the Committee.

#### **NOMINATION & REMUNERATION COMMITTEE:**

During the financial year 2023-24, due to resignation of independent directors and non-executive directors, the Nomination and Remuneration committee was reconstituted by the board.

The Committee comprises of 2 Non-Executive Director and 1 Executive Director the Chairman being an Independent Director. The Composition of the Committee as on 31<sup>st</sup> March, 2024 and attendance of the members is given hereunder:

Sr. No	Name of Members	Member/Chairman
1	Mr. Manas Shah	Chairman (upto 20.12.2023)
2	Ms. Sapna Jain	Chairperson (w.e.f 20.12.2023 upto 17.02.2024) Member (w.e.f 17.02.2024)
3	Mr. Piyush Bhatt	Chairman (w.e.f 17.02.2024) Member (w.e.f 20.12.2023 upto 17.02.2024)
4.	Mrs. Varuna Jain	Member (upto 11.12.2023)
5.	Mr. Varun Jain	Member (upto 20.12.2023 and then w.e.f. 17.02.2024)
8.	Mr. Murari Agarwal	Member (w.e.f 20.12.2023 upto 17.02.2024)

During the Financial year 2023-24, 5 meetings of the Nomination and Remuneration Committee were held on following dates:

29.07.2023, 25.11.2023, 30.11.2023, 20.12.2023, 03.01.2024, 17.02.2024 and 19.02.2024.

Requisite quorum was present during all the meetings.

The primary objective of the Nomination and Remuneration Committee ("NRC") is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down including remuneration payable to the senior management, recommend to the Board their appointment and carry out evaluation of every director's performance.

#### **STAKEHOLDER RELATIONSHIP COMMITTEE:**

During the financial year 2023-24, due to resignation of independent directors and non-executive directors, the stakeholder's relationship committee was reconstituted by the board.

The Committee comprises of 2 Non-Executive Director and 1 Executive Director, the Chairman being An Independent Director. The Composition of the Committee and attendance of the members is given hereunder:

Sr. No.	Name of Members	Member/Chairman
1.	Mr. Manas Shah	Chairman (upto 20.12.2023)
2.	Mr. Piyush Bhatt	Chairman w.e.f 20.12.2023)
3.	Mr. Varun Jain	Member (upto 20.12.2023)
4.	Mr. Sunny Singh	Membe (upto 20.12.2023 and then w.e.f 17.02.2024)
5.	Mr. Murari Agarwal	Member (w.e.f 20.12.2023 upto 17.02.2024)
6.	Ms. Sapna Jain	Member (w.e.f 20.12.2023)

During the Financial year 2023-24, 2 (Two) meeting of the Stakeholder Relationship Committee was held on 03.01.2024 and 19.02.2024. Requisite quorum was present during the meetings.

The Committee looks into the grievances of the Shareholders related to transfer of shares, and non-receipt of annual report and recommends measure for expeditious and effective investor service. However, there were no Complaints received to the Company during the Financial year 2023-24.

The Company Secretary of the Company acts as Secretary of the Committee.

The Company has duly appointed Registrar and Share Transfer Agent (R&T Agent) for servicing the shareholders holding shares in physical or dematerialized form. All requests for dematerialization of shares are likewise processed and confirmations thereof are communicated to the investors within the prescribed time. There were no complaints received during the year ended 31<sup>st</sup> March 2024.

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Committee comprises of 2 Executive Director and 1 Executive Director, the Chairman being an Independent Director. The Composition of the Committee and attendance of the members is given hereunder:

Sr. No.	Name of Members	Member/Chairman
1.	Mrs. Varuna Jain	Chairperson (upto 11.12.2023)
2.	Mr. Varun Jain	Member
3.	Mr. Manas Shah	Member

\* The composition of CSR Committee was reconstituted on 20.12.2023 as mentioned in the table given below. However, no meeting is held during the year under review after such reconstitution.

#### **Reconstitution of CSR Committee:**

Sr. No.	Name of Members	Member/Chairman
1.	Mr. Varun Jain	Member up 20.12.2023 and Chairman w.e.f. 20.12.2023
2.	Mr. Sunny Singhi	Member
3.	Ms. Sapna Jain	Member w.e.f. 20.12.2023

During the Financial year 2023-24, 1 (One) meeting of the Stakeholder Relationship Committee was held on 24.08.2023. Requisite quorum was present during the meetings.

The primary objective of the committee is to develop and implement the company's CSR strategy, ensuring that it aligns with the company's values, goals, and business objectives. The committee sets priorities for CSR initiatives and decide on the areas of focus, such as environmental sustainability, social equity, or community development. It is also responsible for creating and updating CSR policies and guidelines. This includes defining the principles and standards the company will follow to ensure ethical behavior and positive social impact.

Further, the committee monitors the execution of CSR programs and projects to ensure they meet the defined objectives. They assess the effectiveness of these initiatives and provide recommendations for improvement.

### **CORPORATE SOCIAL RESPONSIBILITY:**

The Board in compliance with the provisions of Section 135(1) of the Companies Act, 2013, and rules made thereunder has constituted CSR Committee consisting of Mr. Varun Jain, Mr. Sunil Singhi and Ms. Sapna Jain. A brief outline of the CSR Policy and the CSR initiatives undertaken by the Company during the year is given in Annual Report on Corporate Social Responsibility (CSR) activities in the **Annexure II**, which forms part of this report.

### **POLICIES**

In accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company has framed the following policies:

1. Policy on materiality of dealing with Related Party Transactions.
2. Policy for Preservation of Documents
3. Whistle Blower Policy
4. Policy for procedure of inquiry in case of leak of Unpublished Price Sensitive Information (UPSI)
5. Archival Policy
6. Criteria for making payments to Non- Executive Directors
7. Dividend Distribution Policy
8. Familiarization programme for independent directors.
9. Code of conduct to regulate, monitor and report trading by insiders.
10. Policy for determining Material Subsidiary
11. Policy on disclosure of material events or information
12. Materiality policy
13. Board Diversity Policy
14. Policy on identification of Group Companies, Material Creditors and Material Litigations.
15. Policy on prevention of sexual harassment
16. Terms and conditions for appointment of Independent Directors.
17. Nomination & Remuneration Policy
18. Code of Conduct for board members and senior management.

All the above policies have been displayed on the website of the Company viz. <https://www.adityaultrasteel.com/>

## **AUDITORS**

### **i. Statutory Auditor and their Report**

M/s. S N Shah & Associates, Chartered Accountants, (Firm Registration No. 0109782W) were re-appointed as statutory auditor of the Company at the Extra-Ordinary General Meeting held on 31<sup>st</sup> May, 2023, to hold the office till the conclusion of Annual General Meeting to be held in the year 2025.

#### **Auditors Report**

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The report does not contain any qualification, reservation or adverse remark.

### **ii. INTERNAL AUDITOR**

The Board of Directors had appointed M/s. N R Kalai & Associates, Chartered Accountants (FRN: 149215W), as Internal Auditors of the Company for the Financial Year 2023-24.

### **iii. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT**

The Board of Directors of the Company has in compliance with the provisions of Section 204(1) of the Companies Act, 2013 and rules made therein appointed M/s K Jatin & Co., Company Secretaries as Secretarial Auditor, to carry out Secretarial Audit of the Company for the financial year 2023-24.

The Report of the Secretarial Auditor is annexed to this Report as "Annexure III" which is self-explanatory and gives complete information. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **iv. COST RECORDS AND COST AUDITORS:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, maintenance of cost records is required and accordingly such accounts and records are made and maintained by the Company. The cost audit for the financial year 2023-24 was carried out in time, and the Cost Audit Report with requisite data, in the prescribed form CRA-4, has already been filed with Ministry of Corporate Affairs (MCA) within the permissible time, last year.

Further, in accordance with the said applicable provisions, the audit of the cost records of the Company for the financial year 2023-24 as required is being carried

out by Cost Auditors M/s. Anuj Aggarwal & Co., Cost Accountants, (FRN: 102409) Cost Auditors.

The Cost Audit Report will be filed on or before the due date with the MCA in due course of time after the same is approved by the Board of Directors of the Company within the permissible timeline.

**DIRECTORS RESPONSIBITLY STATEMENT:**

As required under the provisions of Section 134 of the Act, to the best of their knowledge and belief the Board of Directors report that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period.
- c. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. The Directors have laid down Internal Financial Controls as required by Explanation to Section 134(5)(e) of the Act) to be followed by the Company and such internal financial controls are adequate and are operating effectively.
- f. The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

**PARTICULARS OF EMPLOYEES:**

None of the employee has received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**COMPLIANCE WITH THE SECRETARIAL STANDARDS:**

The Company has complied with all the provisions of Secretarial Standards on Board Meetings and General Meetings issued by the Institute of Company Secretaries of India.

**ENVIRONMENT AND SAFETY:**

The company understands the value of operating in an ecologically friendly and safe manner. The Company's philosophy mandates that activities be carried out in such a way that all parties involved are safe, environmental standards are followed, and natural resources are preserved.

**RELATED PARTY TRANSACTIONS:**

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (ies) are in ordinary course of business and on arm's length. AOC-2 is forming part of this report as **Annexure I**.

The Details of the Transactions with related parties as per accounting standards are given in the Note No. 29 of the Financial Statement to the note forming part of the accounts.

**PARTICULARS OF LOANS / GUARANTEES / INVESTMENT:**

The Particulars of loans, guarantee or investment made under Section 186 of the Companies Act, 2013 are forming part to the Financial Statements for the year ended 31<sup>st</sup> March 2024.

**EXTRACT OF THE ANNUAL RETURN**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is placed on the website of the company [www.aditya-ultra-steel.com](http://www.aditya-ultra-steel.com).

**RISK MANAGEMENT POLICY**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

**ANNUAL PERFORMANCE EVALUATION:**

In compliance with the provisions of the Act and voluntarily under SEBI (LODR) Regulations, 2015, the performance evaluation was carried out as under:

**Board:**

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors on a whole was satisfactory.

**Committees of the Board:**

The performance of the Audit Committee, the Nomination and Remuneration Committee was evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory

requirements including the provisions of the Act, the Rules framed thereunder and the Listing Agreement.

**Individual Directors:**

- (a) **Independent Directors:** In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.
- (b) **Non-Independent Directors:** The performance of each of the non-independent directors was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

There are no material changes and commitments, which may have affect the financial position of the Company between the end of the financial year of the company to which the financial statements relate and the date of the report.

**SEXUAL HARASSMENT:**

The Company has constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressed) Act, 2013 and the Rules made thereunder. During the year under review, no complaints were reported.

**TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review, the provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in last seven years so the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to the provision

of Section 125 (e) of the Companies Act, 2013 as there is no amounts unclaimed for a period of 7 years from the date it became due for repayment.

**REPORTING OF FRAUD:**

During the year under review there was no instance of any fraud which has been reported by any Auditor to the Audit Committee or the Board.

**DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year under review, there were no applications made or proceedings pending in the name of Company under the Insolvency and Bankruptcy Code, 2016.

**DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS**

During the year under review, there has been no one time settlement of loans taken from the Banks or Financial Institutions.

**APPRECIATION:**

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from the employees, Banks, Financial Institutions, Customers, Business Associates, Government Departments, suppliers, and other stakeholders who have extended their valuable sustained support and encouragement during the year under review.

Your Directors take this opportunity to recognize and place on record their gratitude and appreciation for the commitment displayed by all executive officers and staff at all levels of the company. We look forward for the continued support of all stakeholders in the future and we are very thankful for the confidence shown in the Company.

**Regd Office:**

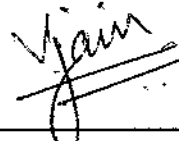
Survey No-48, Wankaner Boudry,  
Bhaigam, National Highway 8-A,  
Wankaner, Rajkot- 363621

**For and on behalf of Board of Directors of  
ADITYA ULTRA STEEL LIMITED**



Sunny Sunil Singh  
Managing Director  
DIN: 07210706





Varun Manojkumar Jain  
Director  
DIN: 03502561

Date: 02/09/2024

Place: Rajkot

**ANNEXURE - I****FORM NO. AOC - 2**

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis**

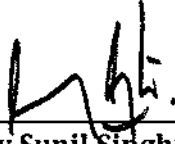
(a) Name(s) of the related party and nature of relationship	Nil
(b) Nature of contracts / arrangements / transactions	Nil
(c) Duration of the contracts / arrangements / transactions	Nil
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
(e) Justification for entering into such contracts or arrangements or transactions	Nil
(f) Date of approval by the Board	Nil
(g) Amount paid as advances, if any:	Nil
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

**2. Details of material contracts or arrangement or transactions at arm's length basis**

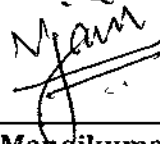
(a) Name(s) of the related party and nature of relationship	No Related party Transactions pursuant to Section 188 of the Companies Act, 2013 during FY under review.
(b) Nature of contracts / arrangements/ transactions	
(c) Duration of the contracts/ arrangements / transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	

Survey No-48, Wankarner Boudry,  
Bhalgam, National Highway 8-A,  
Wankaner, Rajkot- 363621

For and on behalf of Board of Directors of  
ADITYA ULTRA STEEL LIMITED



Sunny Sunil Singhi  
Managing Director  
DIN: 07210706



Varun Manojkumar Jain  
Director  
DIN: 03502561

Date: 02/09/2024  
Place: Rajkot

## [Annexure -II]

Annual Report on CSR Activities for the Financial Year ending 31<sup>st</sup> March, 2024**1. Brief outline on CSR Policy of the Company:**

The Corporate Social Responsibility (CSR) Policy of a company, as mandated by the Companies Act 2013, aims to promote sustainable development and enhance community welfare through responsible business practices. Under Section 135, companies meeting specific criteria are required to allocate a percentage of their net profits towards CSR activities.

The policy provides for undertaking any activity prescribed under Schedule VII to the Companies Act, 2013 to attain the goal of sustainable and overall development of the society wherein the Company is carrying out its business operations.

The Projects/activities will be undertaken either by direct involvement by company or through external agencies.

**2. \*Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Varuna Jain	Chairperson	1	1
2.	Mr. Varun Jain	Member	1	1
3.	Mr. Manas Shah	Member	1	1

\* The composition of CSR Committee was reconstituted on 20.12.2023 as mentioned in the table given below. However, no meeting is held during the year under review after such reconstitution.

**Reconstitution of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Varun Jain	Chairman	1	1
2.	Mr. Sunny Singhi	Member	0	0
3.	Ms. Sapna Jain	Member	0	0

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:**

[www.aditya-ultra-steel.com](http://www.aditya-ultra-steel.com)

**4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of Rule 8(3) of Companies (Corporate Social Responsibility) Rules, 2014, if applicable: NA**

5. Details of amount available for set off in pursuance of sub rule (3) of Rule 7 of Companies (Corporate Social Responsibility) Rules, 2014 and amount required for set off for the financial year, if any:

Particulars	Amount (in Rs.)
Average net profit of the company as per section 135(5)	60,953,600
Two percent of average net profit of the company as per section 135(5)	1,219,071.99
Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
Amount required to be set off for the financial year, if any:	-
Total CSR obligation for the financial year	1,219,071.99

6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 12,20,000	Nil	N. A	Nil	Nil	N. A

(b) Details of CSR amount spent against ongoing projects for the financial year:  
Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1	Promoting Education in Rural and Semi-Rural Area	Promoting education, including special education and	Yes	Gujarat	Ahmed abad	12,20,000	No	Shrri Umiya Education and Charitable Trust	CSR00032772

	employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.							
<b>Total</b>						<b>12,20,000</b>		

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year: Rs. 12,20,000/-
- (g) Excess amount for set off: Rs. 928.01

7. (a) Details of Unspent CSR amount for the preceding three financial years: NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): The company does not have any ongoing projects.

8. Details relating to the asset so created or acquired through CSR spent in the financial year: Nil

Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The company has duly met its CSR obligation.

  
 Sunny Sunil Singhi  
 Managing Director  
 DIN: 07210706



For and on behalf of Board of Directors of  
 ADITYA ULTRA STEEL LIMITED

  
 Varun Manojkumar Jain  
 Director  
 DIN: 03502561

Date: 02/09/2024  
 Place: Rajkot

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> March, 2024

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Aditya Ultra Steel Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aditya Ultra Steel Limited having CIN U27100GJ2011PLC066552 (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024:

- complied with the statutory provisions listed hereunder and
- proper Board-processes and compliance mechanism in place;

to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Aditya Ultra Steel Limited for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.,
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h. The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. and other applicable laws.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement(s) entered into by the Company with Stock Exchange(s), if any.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and
- a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that based on the review of the compliance mechanism established by the company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For, K Jatin & Co.  
Company Secretaries  
(UCN: S2017GJ508600)**



*Jatin H. Kapadia*  
Jatin H. Kapadia

**Proprietor**

**Certificate of Practice No.: 12043**

**Membership No: F11418**

**Peer Review Cert. No: 1753/2022**

**Date: 02/09/2024**

**Place: Ahmedabad**

**UDIN: F011418F001104576**

This report is to be read with our letter of even date which is annexed as Annexure-1 and forms an integral part of this report.

**Annexure - 1**

To

The Members

Aditya Ultra Steel Limited

**Auditor's responsibility**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For, K Jatin & Co.  
Company Secretaries  
(UCN: S2017GJ508600)**



*Jatin H. Kapadia*

**Jatin H. Kapadia  
Proprietor**

**Certificate of Practice No.: 12043  
Membership No: F11418  
Peer Review Cert. No: 1753/2022**

**Date: 02/09/2024  
Place: Ahmedabad  
UDIN: F011418F001104576**

# ADITYA ULTRA STEEL LTD.



ACCOUNTING YEAR

**ANNUAL  
REPORT**

**2023-24**

AUDITORS :

***S.N. SHAH & ASSOCIATES***

**CHARTERED ACCOUNTANTS**

"Sapan House" 10/B Government Servant Housing Cooperative  
Society, Opposite Municipal Market, B/h Vallabha Dining Hall, CG  
Road, Navrangpura, Ahmedabad-380009  
Phone No: +91 79 40098280, 26465038  
Email Id: snshah\_asso@hotmail.com



## **INDEPENDENT AUDITOR'S REPORT**

To,  
The Members,  
ADITYA ULTRA STEEL LIMITED  
AHMEDABAD.

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS:**

#### **OPINION:**

We have audited the accompanying financial statements of ADITYA ULTRA STEEL LIMITED, which comprise the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('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, 2024, its profit and cash flows for the year ended on that date.

#### **BASIS FOR OPINION:**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

#### **KEY AUDIT MATTERS:**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a



whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON:**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



The board of directors are also responsible for overseeing the Company's financial reporting process.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS:**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements



represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:**

1. As required by The Companies (Auditor's Report) Order, 2016 issued by The Central Government of India in term of section 143 (11) of The Companies Act, 2013, we enclose in the Annexure-A hereto a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit and Loss & Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director, in terms of sub-section (2) of section 164 of the Companies Act, 2013;



- f) With respect to the adequacy of internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement. Refer note 29(A)(i) to the financial statement;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
    - c) Based on the 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 misstatement.

v. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility but the same has not been operated throughout the year for all relevant transactions recorded in the software.

FOR AND ON BEHALF OF  
S. N. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG. NO. 109782W



UDIN: 24144892 BkAVML 8051  
PLACE: AHMEDABAD  
DATED: 20-05-2024

PRIYAM S SHAH  
PARTNER  
M. No. 144892

## **ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to Our Report of even date to the members of ADITYA ULTRA STEEL LIMITED on the accounts of the company for the year ended 31st March, 2024:

On the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us during the course of audit **read with Notes on Accounts No. '1' to '28' to the Financial Statements, Note No. 1 on Significant Accounting Policies and Note No. 29 on Additional Information to the Financial Statements**, we further report that:

i. In respect of Property, Plant and Equipment:

- a) According to the information and explanations given to us, the company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- b) According to the information and explanations given to us, the company did not have any intangible assets.
- c) As explained to us, the management in accordance with a phased program of verification adopted by the company has physically verified the fixed asset. To the best of our knowledge, no material discrepancies have been noticed on such verification or have been reported to us.
- d) According to the information and explanations given to us and on the basis of the examination of the records of the company, the title deeds of immovable properties disclosed in the financial statements as part of property, plant & equipment are held in the name of the Company as at the balance sheet date.
- e) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
- f) According to the information and explanations given to us no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of its Inventories:

- a) As explained to us, the inventories have been physically verified by the management of the company during the year at reasonable interval. In our opinion, the coverage and procedure of such verification by the Management of the company is appropriate having regard to the size of the Company and the nature of its operations. According to the information and explanations given to us, no discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account:



b) According to the information and explanations given to us and relevant records produced, the Company has been sanctioned working capital limits of Rs.71.65 Crores in aggregate. Copies of quarterly statements and returns, furnished to banks have also been made available for our verification. We have verified the same on random sampling basis and found the same in agreement with books of account.

iii. Investments/Guarantee/Security/Loans/Advances Granted:

a) During the year the company has provided corporate guarantee on behalf of the company in which director are substantially interested, details are as follows:

Particulars	(Rs. In lacs)
	Guarantees
VMS TMT Private Limited (Associate Concern)	Corporate Guarantee
Aggregate amount during the year	14827.44
Bal. O/s as at balance sheet date of the co.	14827.44

b) According to the information and explanation given to us guarantees provided, and the terms and conditions and guarantees provided are not prejudicial to the company's interest.

c) The Company has during the year, not made investments in, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clauses 3(iii)c) to 3 (iii)(f) of the Order are not applicable.

iv. According to the information and explanations given to us, the company has complied with provisions of section 185 and 186 in respect of transaction of the nature referred to in Sections 185 and 186 of The Companies Act, 2013 in respect of any loans, investments, guarantees and security.

v. According to the information and explanations given to us, the company has complied with the directives issued by the Reserve Bank of India, if applicable and the provisions Section 73 to 76 of The Companies Act, 2013, and The Companies (Acceptance of Deposits) Rules, 2014 in respect of deposits, if any, accepted by the company. According to the information and explanations given to us, the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal has not issued any order in respect of the deposits accepted by the company.

vi. As per information and explanations given to us, the company is required to maintain the cost records and accounts as prescribed by The Central Government under Section 148(1) of the Companies Act, 2013. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.



vii. In respect of Statutory Dues:

- a) As per the information & explanations furnished to us, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues of T.D.S., GST, Employee Provident Fund, ESIC and other material statutory dues applicable to it. There has been no outstanding as at 31st March, 2024 of undisputed liabilities outstanding for more than six months.
- b) According to information and explanations given to us and so far as appears from our examination of books of account, statutory dues outstanding as at 31st March, 2024 which have not been deposited on account of any dispute were as follows:

**(Rs. in Lacs)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount O/s more than 6 months</b>
1.	GST Demand FY 2023-24	261.93/-
	<b>TOTAL</b>	<b>261.93/-</b>

The Company has disputed the GST demand amounting to Rs. 261.93 lacs in respect of earlier years. The company has filed reply before appropriate authorities. The same are pending for final adjudication.

viii. According to the information and explanations given to us and so far as appears from our examination of books of account and other records as applicable, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix. In respect of Loans & Other Borrowings:

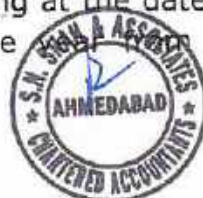
- a) According to the information and explanations given to us, the company has repaid the principal amount and made payment of interest on loans or borrowings taken by it from banks.
- b) According to the information and explanations given to us so far as appears from our examination of relevant records, we are of the opinion that the company has not been declared willful defaulter by any bank or financial institution or any other lender.
- c) In our opinion and according to the information and explanations given to us, the company has applied the term loans obtained during the year for the purpose for which they were obtained.
- d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company for the year, we are of the opinion that funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the company.



- e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds during the year from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, if any and hence reporting under clause 3(ix)(e) of the Order is not applicable.
- f) According to the information and explanations given to us and audit procedures performed by us, we report that the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, if any and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. In respect of moneys raised by issue of securities:
- a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company utilized funds raised by way of preferential allotment or private placement of shares for the purpose for which it was raised.
- xi. In respect of Frauds and Whistle Blower Complaints:
- a) According to the information and explanations given to us and to the best of our knowledge, no material fraud by the Company or on the Company has been noticed or reported to us by the management during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints from any party during the year.
- xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- xiii. According to the information and explanations given to us, the company is in compliance with the provisions of sections 177 and 188 of the Companies Act, 2013, where applicable, for related party transactions and the details of related party transactions have been disclosed in the Notes to the Financial Statements in accordance with the applicable Accounting Standards.
- xiv. In respect of Internal Audit:
- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



- b) We have held discussions with the internal auditor of the Company for the year under audit and considered their opinion in determining the nature, timing and extent of our audit procedure.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with them and hence clause (xv) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it during the year.
- xvi. In respect of Registration Under Section 45-IA of the Reserve Bank of India Act, 1934/CIC
- a) As the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), clause (xvi)(a) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year and clause (xvi)(b) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- c) As the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- d) According to the information and explanations given to us, the company has no Core Investment Company (CIC) as part of its group, clause (xvi)(c) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable to it.
- xvii. According to the information and explanations given to us and on the basis of the examination of the records of the company, 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 of the Company during the year and hence reporting under clause (xviii) of paragraph 3 of The Companies (Auditor's Report) Order, 2020 is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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



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. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

FOR AND ON BEHALF OF  
S N SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG. NO. 109782W



UDIN: 24144832 BKAYML 8051  
PLACE: AHMEDABAD  
DATED: 20-05-2024

PRIYAM S SHAH  
PARTNER  
M. No. 144892

**ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT**  
**[REFERRED TO IN PARAGRAPH 2(f) UNDER "REPORT ON OTHER LEGAL AND**  
**REGULATORY REQUIREMENTS SECTION OF OUR REPORT OF EVEN DATE]**  
**FINANCIAL YEAR ENDED 31ST MARCH 2024**

**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 ADITYA ULTRA STEEL LIMITED ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the company 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, 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 Company's internal financial controls system 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 management and directors of the company; and (3) 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 periods 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 and to the best of our information and according to the information and explanations given to us, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were commensurate with the nature of the business of the company and operating effectively as at March 31, 2024, 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.

FOR AND ON BEHALF OF  
S N SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,

FORM REG. NO. 109782W



PRIYAM S SHAH

PARTNER

M. No. 144892

UDIN: 24144892BKAYML8051

PLACE: AHMEDABAD

DATED: 20-05-2024

# ADITYA ULTRA STEEL LIMITED

(Amount in Lakhs)

## Balance Sheet as at 31st March 2024

SR. NO.	PARTICULARS	Note No	AS AT		AS AT	
			31-Mar-24		31-Mar-23	
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>					
<b>1</b>	<b>SHAREHOLDER'S FUND</b>					
	(a) Share Capital	2	1723.56		1220.00	
	(b) Reserves and Surplus	3	3041.05		2710.74	
				4764.61		3930.74
<b>2</b>	<b>NON-CURRENT LIABILITIES</b>					
	(a) Long-Term Borrowings	4	651.46		536.61	
	(b) Deferred Tax Liabilities (Net)	5	283.89		241.35	
	(d) Long Term Provisions	6	27.99		-	
				963.34		777.96
<b>3</b>	<b>CURRENT LIABILITIES</b>					
	(a) Short-Term Borrowings	7	4775.61		4447.53	
	(b) Trade Payables	8	2767.84		242.52	
	(c) Other Current Liabilities	9	1105.16		101.56	
	(d) Short-Term Provisions	10	383.47		245.61	
				9033.08		5037.23
	<b>TOTAL .....</b>			<b>14761.03</b>		<b>9745.92</b>
<b>II.</b>	<b>ASSETS</b>					
<b>1</b>	<b>NON CURRENT ASSETS</b>					
	(a) Property Plant and Equipment	11				
	(i) Tangible assets		3278.93		3128.42	
	(b) Other Non Current Asset	12	17.28		24.50	
				3296.21		3152.92
<b>2</b>	<b>CURRENT ASSETS</b>					
	(a) Inventories	13	5751.16		5292.91	
	(b) Trade Receivables	14	4724.55		1055.25	
	(c) Cash and Bank Balances	15	374.78		18.08	
	(d) Short-Term Loans and Advances	16	610.86		225.60	
	(e) Other Current Assets	17	3.48		0.16	
				11464.82		6593.00
	<b>TOTAL .....</b>			<b>14761.03</b>		<b>9745.92</b>
<b>IV.</b>	<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1				
<b>V.</b>	<b>ADDITIONAL INFORMATION</b>	29				

FOR AND ON BEHALF OF THE BOARD  
ADITYA ULTRA STEEL LIMITED

AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W



MANAGING  
DIRECTOR  
DIN:07210706  
SUNNY SINGHI  
PLACE: AHMEDABAD  
DATE: 20-05-2024



NON-EXECUTIVE  
DIRECTOR  
DIN:03502561  
VARUN JAIN


CHIEF FINANCIAL  
OFFICER  
MAHESH G.



COMPANY  
SECRETARY  
A71850  
TINA MULANI



PRIYAM S SHAH  
PARTNER  
M. NO. 144892  
UDIN: 24144892 BX AYML 8051

# ADITYA ULTRA STEEL LIMITED

(Amount in Lakhs)

Statement of Profit and Loss Account for the period ending 31st March, 2024

SR. NO.	PARTICULARS	Note No	Current Year Amount Rs.		Previous Year Amount Rs.	
I.	Revenue From Operations	18	58780.08		53044.78	
II.	Other Income	19	79.52		113.11	
III.	<b>TOTAL INCOME (I +II)</b>			<b>58859.60</b>		<b>53157.90</b>
IV.	<b>EXPENSES</b>					
1	Cost of Materials Consumed	20	38099.45		49284.74	
2	Purchase of Trading Goods	21	15424.26		599.47	
	Changes in inventories of finished goods, work-					
3	in-progress and Stock-in-Trade	22	(337.18)		(2175.51)	
4	Manufacturing Expenses	23	1579.80		2149.82	
5	Employee Benefit Expense	24	819.95		835.57	
6	Financial Costs	25	643.94		454.24	
7	Depreciation and Amortization Expense	26	164.04		155.02	
8	Administrative, Selling & Other Expenses	27	1392.42		1362.70	
	<b>TOTAL EXPENSES</b>			<b>57786.68</b>		<b>52666.06</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)			<b>1072.92</b>		<b>491.84</b>
VI.	Exceptional Items			-		-
VII.	<b>PROFIT BEFORE TAX (III - IV)</b>			<b>1072.92</b>		<b>491.84</b>
VIII.	<b>Tax expense:</b>					
	(1) Current tax		(261.45)		(121.85)	
	(2) Deferred Tax Asset/(Liability)		(42.54)		-	
				(303.99)		(121.85)
IX.	<b>Profit(Loss) for the period from continuing operations (V-VII)</b>			<b>768.94</b>		<b>370.00</b>
IX.	Earning per equity share:	28				
	(1) Basic			4.49		3.03
	(2) Diluted			4.49		3.03

FOR AND ON BEHALF OF THE BOARD  
ADITYA ULTRA STEEL LIMITED



*hst*

MANAGING  
DIRECTOR  
DIN:07210706  
SUNNY SINGHI  
PLACE: AHMEDABAD  
DATE: 20-05-2024

*V Jain*

NON-EXECUTIVE  
DIRECTOR  
DIN:03502561  
VARUN JAIN

*Mahesh G.*

CHIEF FINANCIAL  
OFFICER  
MAHESH G.

*Tina Mulani*

COMPANY  
SECRETARY  
A71850  
TINA MULANI

AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W



PRIYAM S SHAH  
PARTNER  
M. NO. 144892

## ADITYA ULTRA STEEL LIMITED

(Amount in Lakhs)

## CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2024

## Indirect Method

SR. NO.	Particulars	Period Ending 31-Mar-24	Period Ending 31-Mar-23
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>I</b>	<b>Net Profit Before Taxation</b>	1072.92	491.84
	Adjustments for :		
	Add : Depreciation and Amortization Expense	164.04	155.02
	Interest Expenses	532.51	441.19
	Less : Interest Income	(8.88)	(0.82)
	Short Provision Income Tax	(8.79)	(25.33)
	Earlier years Gratuity	(26.29)	-
	Income Tax Expense	-	-
	Profit on Capital Asset	(61.00)	-
<b>II</b>	<b>Operating Profit before Working Capital Changes</b>	<b>1664.51</b>	<b>1061.89</b>
	Adjustments for :		
	Change in Inventories	(458.25)	(1159.83)
	Change in Loans & Advances and Non Current Asset	0.81	(3.57)
	Change in Short Term Loans & Advances	(387.58)	846.45
	Change in Other Current Liabilities	1142.46	23.90
	Change in Short Term Borrowing	328.08	533.68
	Change in Trade Receivables	(3669.30)	(284.44)
	Change in Long term Provision	27.99	-
	Change in Trade Payable	2525.32	26.90
<b>III</b>	<b>Cash Generated from Operations</b>	<b>1174.04</b>	<b>1044.98</b>
	Less : Income Taxes Excess Provided	(261.45)	(121.85)
<b>IV</b>	<b>Cash Flow Before Extraordinary Items</b>	<b>912.59</b>	<b>923.14</b>
<b>V</b>	<b>Net Cash from Operating Activities (A)</b>	<b>912.59</b>	<b>923.14</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets (Including CWIP)	(327.90)	(128.83)
	Sale of Fixed Assets	80.78	-
	Interest Income	8.88	0.82
	<b>Net Cash from/(Used In) Investing Activities (B)</b>	<b>(238.24)</b>	<b>(128.01)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Change in Unsecured Loan	-	(112.29)
	Change in Share Capital & Securities Premium	100.01	-
	Proceed/(Repayment) of Term Loans	114.85	(244.65)
	Interest Paid	(532.51)	(441.19)
	<b>Net Cash from/(Used In) Financing Activities (C)</b>	<b>(317.66)</b>	<b>(798.13)</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>356.69</b>	<b>(3.00)</b>
	<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>18.08</b>	<b>21.09</b>
	<b>Cash and Cash Equivalents at the End of the Period</b>	<b>374.78</b>	<b>18.08</b>

## Notes

- Statement of cash flow has been prepared under the indirect method as set out in AS-3 on statement of cashflows specified under
- Reconciliation of Cash & Cash Equivalents as per the statement of cash flow

SR. NO.	Particulars	Year Ended 31-Mar-24	Year Ended 31-Mar-23
1	Balances with Banks		
	- in Fixed Deposits (Original Maturity of 3 months or less)	369.87	16.28
2	Cash on hand	4.91	1.80
	<b>Cash and Cash Equivalents at the End of the Period (Refer Note14)</b>	<b>374.78</b>	<b>18.08</b>

ADITYA ULTRA STEEL LIMITED

AS PER OUR REPORT OF EVEN DATE,  
FOR S. N. SHAH & ASSOCIATES,  
CHARTERED ACCOUNTANTS,  
FIRM REG NO. 109782W



MANAGING  
DIRECTOR  
DIN:07210706  
SUNNY SINGHI  
PLACE: AHMEDABAD  
DATE: 20-05-2024



NON-EXECUTIVE  
DIRECTOR  
DIN:03502561  
VARUN JAIN



CHIEF FINANCIAL  
OFFICER  
MAHESH G.



COMPANY  
SECRETARY  
A71850  
TINA MULANI



PRIYAM S SHAH  
PARTNER  
M. NO. 144892

## ADITYA ULTRA STEEL LIMITED

### CORPORATE INFORMATION:

Aditya Ultra Steel Limited is a public limited company domiciled in India and incorporated under the provisions of Companies Act 1956.

The company is engaged in the business of manufacturing and trading of steel products.

### NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

**a) Accounting Conventions :**

The Financial Statements of the Company are prepared under the historical cost convention on accrual basis of accounting and in accordance with the mandatory accounting standards issued by the Institute of Chartered Accountants of India and referred to in section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and generally accepted accounting principles in India. The accounting policies not referred to otherwise have been consistently applied by the Company during the period.

**b) Use of Estimates**

The preparation of financial statements in accordance with the GAAP requires management to make estimates and assumptions that may affect the reported amount of assets and liabilities, classification of assets and liabilities into non-current and current and disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses during the reporting period. Although the financial statements have been prepared based on the management's best knowledge of current events and procedures/actions, the actual results may differ on the final outcome of the matter/transaction to which the estimates relates.

**c) Property Plant & Equipment :**

The Property Plant & Equipment are stated at cost of acquisition/construction (less Accumulated Depreciation, if any) except land. The cost of Property Plant & Equipment comprises of their purchase price including freight, duties, taxes or levies and directly attributable cost of bringing the assets to their working conditions for their intended use. The Company capitalizes its Property Plant & Equipment at a value net of GST received/receivable during the period in respect of eligible Capital Goods. Subsequent expenditures on Property Plant & Equipment have been capitalised only if such expenditures increase the future benefits from the existing assets beyond their previously assessed standard of performance. The assets that are under construction/erection or not fully acquired and therefore not available for productive use are shown as "Capital Work in Progress" under Property Plant & Equipment and will be capitalized on completion of the construction/erection/acquisition activities.

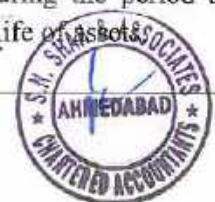
**d) Intangible Assets**

The Intangible Assets of Accounting Software, Server Software, Website Development etc. have been recognised at their cost of acquisition. On the basis of the availability of these assets for their intended use, relevant contractual agreements and technological changes that may affect the usefulness of these assets, the useful lives of these assets have been assumed to be of five years from the date of their acquisition.




**e) Depreciation**

The Depreciation on Property Plant & Equipment is provided on straight line method for the period of acquisition/construction i.e. from the period from which such assets were available for their intended use on pro-rata basis on the basis of useful life of each of the Property Plant & Equipment as per Schedule II of the Companies Act, 2013 and in the manner specified in Schedule II of the Companies Act, 2013.

The amount of depreciation for the period has been derived by subtracting five per of the original cost of each of the assets as salvage value from the carrying amount respective assets as per the books of account as at the commencement of the year and the cost of acquisition in case of assets acquired during the period and such remaining carrying value or cost has been depreciated over the remaining years of useful life of assets.



f)	<b>Inventories</b>
<p>Inventories of Raw Materials, Packing Materials, and Work-in-Process have been valued at cost. Finished Goods have been valued at cost or net realizable value whichever is lower. Costs in respect of all items of inventories have been computed on FIFO basis. The cost of Raw Materials comprises of the purchase price including duties and taxes, freight inwards and other expenditure directly attributable to the acquisition. The purchase price does not include GST credit availed of by the Company during the period. Work-in-Process includes cost of Raw Materials and conversion cost depending upon the stage of completion as determined. The cost of Finished Goods includes cost of conversion and other costs incurred in bringing the inventories to their present location and conditions. The Finished Goods are valued at cost or NRV whichever is lower.</p>	
g)	<b>Revenue Recognition</b>
<p>All income and expenses are accounted on accrual basis. The Company recognised Sale of Goods when it had transferred the property in Goods to the buyer for a price or all significant risks and rewards of ownership had been transferred to the buyer and no significant uncertainty existed as to the amount of consideration that would be derived from such sale. The recognition event is usually the dispatch of goods to the buyer such that the Company retains no effective control over the goods dispatched. Income from investments, where appropriate, is taken into revenue in full on declaration or accrual and tax deducted at source thereon is treated as advance tax.</p>	
h)	<b>Foreign Currency Transactions</b>
<p>The transactions in foreign currency have been recorded using the rate of exchange prevailing on the date of transactions. The difference arising on the settlement/restatement of the foreign currency denominated Current Assets/Current Liabilities into Indian rupees has been recognized as expenses/income (net) of the period and carried to the statement of profit and loss.</p>	
i)	<b>Employee Benefits</b>
<p>Contribution due / payable during the period towards provident fund is recognized in the profit and loss account. The Company has no obligation other than the contribution payable to the contribution payable to the provident fund.</p>	
j)	<b>Borrowing Costs</b>
<p>The borrowing costs incurred by the company during the period in connection with the borrowing of funds have been debited to the statement of profit and loss for the period.</p>	
k)	<b>Segment Reporting</b>
<p>The dominant source of income of the company is from the sale of TMT Bars, Iron &amp; other Steel Products which do not materially differ in respect of risk perception and the return realized/to be realized. Even the geographical environment in which the company operates does not materially differ considering the political and economic environment, the type of customers, assets employed and the risk and return associated in respect of each of the geographical area. So, the disclosure requirements pursuant to AS-17 –Segment Reporting issued by the ICAI are not applicable to the company.</p>	
l)	<b>Impairment of Assets</b>
<p>The management of the company on the basis of periodical internal assessment determines whether there is any indication that an asset or group of identical assets may have been impaired. On the basis of the periodical internal assessment of recoverable values of the Property Plant &amp; Equipment, the management of the company is of the view that the recoverable value of individual assets or group of assets as at the balance sheet date are higher than the carrying their carrying amounts and hence there is no impairment in the value of Property Plant &amp; Equipment.</p>	

**ADITYA ULTRA STEEL LIMITED**

Notes "2" to "29" on Financial Statements for the Period Ended 31st March,2024

(Amount in Lakhs)

**NOTE 2 :SHARE CAPITAL**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
		No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
<b>I. EQUITY SHARES AUTHORISED</b>					
	2,50,00,000 Shares of Rs.10/= each at par (Previous Year 2,00,00,000 Shares of Rs.10/= each at par)		2500.00		2000.00
<b>II. Issued, Subscribed and Paid Up Capital</b>					
	1,72,35,568 Shares of Rs. 10/= each fully paid up (Previous Year 1,22,00,000 equity shares of ₹10/-each)		1723.56		1220.00
	<b>TOTAL .....</b>		<b>1723.56</b>		<b>1220.00</b>
<b>III. Reconciliation of Number Shares Outstanding at the beginning and at the</b>					
	<b>Outstanding at the beginning and at the</b>				
	Outstanding as at the beginning of the year		122.00		122.00
	Add: Shares issued as fully paid up for consideration in cash		1.11		-
	Add: Bonus Shares issued on 16/02/2024		49.24		-
	Outstanding as at the End of the year		172.36		122.00
<b>IV. Details of Shareholder Holding 5% or More Shares in the Company</b>					
<b>Variance</b>	<b>Name of the Shareholder</b>	<b>As at 31st March, 2024</b>		<b>As at 31st March, 2023</b>	
		<b>No. of Shares</b>	<b>% of Total Holding</b>	<b>No. of Shares</b>	<b>% of Total Holding</b>
-0.20%	Varun Jain	41.23	23.92%	29.43	24.12%
-0.37%	Varuna Jain	68.04	39.48%	48.61	39.84%
-0.32%	Sunny Singh	61.49	35.68%	43.92	36.00%
	<b>Details of Shares held by Promoters</b>				
<b>Variance</b>	<b>Name of the Shareholder</b>	<b>As at 31st March, 2024</b>		<b>As at 31st March, 2023</b>	
		<b>No. of Shares</b>	<b>% of Total Holding</b>	<b>No. of Shares</b>	<b>% of Total Holding</b>
-0.20%	Varun Jain	41.23	23.92%	29.43	24.12%
-0.37%	Varuna Jain	68.04	39.48%	48.61	39.84%
-0.32%	Sunny Singh	61.49	35.68%	43.92	36.00%

**NOTE 3 : RESERVE & SURPLUS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
		No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
<b>I. Securities Premium Reserve</b>					
	Balance as at the beginning of the year	-	-	-	-
	Add: Additions during the year	88.90	-	-	-
	Less: Withdrawals/Deductions during year *	-	-	-	-
	Balance as at the end of the year		88.90		-
<b>II. Revaluation Reserve</b>					
	Balance as at the beginning of the year	1093.95	-	1093.95	-
	Add: Additions during the year	-	-	-	-
	Less: Withdrawals/Deductions during year	-	-	-	-
			1093.95		1093.95
<b>III. Profit &amp; Loss Statement Surplus</b>					
	Balance as at the beginning of the year	1616.79	-	1272.13	-
	Less: Utilized Reserves Utilized for Issue of Bonus Shares	(492.44)	-	-	-
	Less: Provision for Gratuity for earlier years	(26.29)	-	-	-
	Add: Profit/(loss) during the Period	768.94	-	370.00	-
	Add/Less: Short/Excess Provision W/off	(8.79)	-	(25.33)	-
	Balance Carried to Balance Sheet		1858.20		1616.79
	<b>TOTAL .....</b>		<b>3041.05</b>		<b>2710.74</b>

**NOTE 4 : LONG TERM BORROWINGS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
	<b>SECURED</b>				
	Term Loans				
	HDFC Bank- Term Loan*		-		10.34
	HDFC Bank - GECL**		311.87		468.21
	Vehicle Loan***		136.82		58.05
II.	<b>UNSECURED</b>				
	Oxyzo Financial Services Private Limited****		202.76		-
	<b>TOTAL .....</b>		<b>651.46</b>		<b>536.61</b>

**Primary Security:**  
Hypothecation of all Plant & Machinery  
Hypothecation of Trucks

**Collateral Security for Term Loan:**  
Secured by Equitable Mortgage of Land & Building situated at R/S No 48 Paiki 1,2,3,4,5, NH 8A, Bhaigam, Ta: Wankaner, Rajkot  
Owned by Aditya Ultrasteel Limited.

**Guarantees for Term Loan:**  
From Directors and Others

Term Loan to be repaid in 48 monthly EMI of Rs. 2,76,881/- each.  
GECL from HDFC Bank to be repaid in 36 monthly EMI.  
New Truck Loans From Bank to be repaid in 50 Monthly Instalments  
Truck Loans Refinanced From Bank to be repaid in 36 Monthly Instalments.  
Car loan to be repaid in 60 monthly instalments of Rs. 2,81,488/- each.  
Oxyzo Financial Services Private Limited loan to be repaid in 24 instalments of Rs. 16,66,667/- each

**NOTE 5 : DEFERRED TAX LIABILITIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
	Opening Balance		241.35		241.35
	Add: Deferred Tax Liabilities		42.54		-
	Closing Balance		<b>283.89</b>		<b>241.35</b>

**NOTE 6 : LONG TERM PROVISION**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
	Provision for Gratuity - Long Term*		27.99		-
			<b>27.99</b>		-

\*Refer note 29(A)

**NOTE 7: SHORT TERM BORROWINGS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
I.	<b>WORKING CAPITAL LOANS</b>				
	<b>SECURED</b>				
A.	<b>From Banks</b>				
	Cash Credit		4353.88		4166.10
II.	<b>CURRENT MATURITY OF LONG TERM LIABILITIES</b>				
A.	<b>SECURED</b>				
	<b>TERM LOANS*</b>				
	HDFC Bank- Term Loan*	10.36		30.66	
	HDFC Bank - GECL**	156.34		199.62	
			166.70		230.27
	<b>VEHICLE LOANS**</b>				
	Vehicle Loan***	55.03		51.17	
			55.03		51.17
B.	<b>UNSECURED</b>				
	Oxyzo Financial Services Private Limited****	200.00		-	
			200.00		
	<b>TOTAL .....</b>		<b>4775.61</b>		<b>4447.53</b>

**Primary Security for Cash Credit:**  
Hypothecation of all Inventory and book debts.  
Working Capital Loan repayable on demand  
Refer Note No. 4 for Security Offered, Personal Guarantee and Terms of Repayment.  
Refer Note No. 4 for Security Offered.  
Refer Note No. 4  
Refer Note No. 4

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*Aditya*  
*Aditya*



**NOTE 8: TRADE PAYABLES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24	AS AT 31-Mar-23
1	Sundry Creditors for Goods	2579.98	28.06
2	Sundry Creditors for Expenses	187.86	214.46
3	Sundry Creditors For Capital Goods		
	<b>TOTAL .....</b>	<b>2767.84</b>	<b>242.52</b>

**Note**

In absence of the identification by the company of Micro, Small and Medium Enterprise (MSME) parties from whom the company has procured the goods and services. We are unable to categorize the over dues above 45 days in FY 2022-23 to and interest payments outstanding to MSME as on the date of balance sheet.

**NOTE 8.1: TRADE PAYABLES AGEING SCHEDULE**

SR. NO.	PARTICULARS	AS AT 31ST MARCH 2024			
		O/S for following periods from due date of payments			
		Less-than 1Year	1 to 2 Years	2 to 3 Years	More-than 3 Years
1	MSME	202.44			
2	Others	2565.39			
3	Disputed Dues MSME				
4	Disputed Dues Others				

SR. NO.	PARTICULARS	AS AT 31ST MARCH 2023			
		O/S for following periods from due date of payments			
		Less-than 1Year	1 to 2 Years	2 to 3 Years	More-than 3 Years
1	MSME				
2	Others	242.52			
3	Disputed Dues MSME				
4	Disputed Dues Others				

**NOTE 9: OTHER CURRENT LIABILITIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24	AS AT 31-Mar-23
I.	<b>Statutory Liability</b>	176.96	86.32
II.	<b>Other Current Liability</b>		
	-Advances from Customers	911.78	1.69
	-Creditors For Capital Goods	17.42	13.55
	<b>TOTAL .....</b>	<b>1106.16</b>	<b>101.56</b>

**NOTE 10: SHORT TERM PROVISIONS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24	AS AT 31-Mar-23
	Provision for Salary	25.67	20.68
	Provision for Gratuity - Short Term*	1.36	-
	Provision for Audit Fees	1.10	1.00
	Provision Other	0.18	5.12
	Bonus & Leave Encashment Payable	-	12.41
	Income Tax Provision	261.45	121.85
	Provision for Electricity	48.75	43.46
	Provision for Royalty Expense	40.51	40.53
	Provision for Interest accrued but not due	3.88	-
	Provision for Water	0.58	0.56
	<b>TOTAL .....</b>	<b>383.47</b>	<b>245.61</b>

\*Refer note 29(A)

**NOTE 12: OTHER NON CURRENT ASSETS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24	AS AT 31-Mar-23
1	Preliminary Expenses to the extent not written off	8.73	11.29
2	Security Deposit	6.05	10.01
3	Advance for Staff	2.50	3.20
	<b>TOTAL .....</b>	<b>17.28</b>	<b>24.50</b>

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**NOTE 13: INVENTORIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
1	Raw Materials	103.20		119.68	
2	Coal	42.51		110.03	
3	Finished Goods	5024.27		4716.57	
4	Melting Scrap	54.54		37.80	
5	Store & Spares	503.34		298.26	
6	Binding Wires	23.31		10.57	
	<b>TOTAL .....</b>		<b>5751.16</b>		<b>5292.91</b>
			<b>5751.16</b>		<b>5292.91</b>

**NOTE 14: TRADE RECEIVABLES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
1	<b>Unsecured But Considered Good</b> -Outstanding for a period Exceeding Six Months (From the date from which they became due for payment) -Others				2.13
	<b>TOTAL .....</b>		4724.55		1053.11
			<b>4724.55</b>		<b>1055.25</b>

**\* Trade Receivables Ageing Schedules**

SR. NO.	PARTICULARS	AS AT 31ST MARCH 2024			
		O/S for following periods from due date of payments			
		Less-than 6 months	More-than 6 months - less than	1 to 2 Years	2 to 3 Years
1	Undisputed Trade Receivables - Considered Good	4724.55			
2	Undisputed Trade Receivables - Considered doubtful				
3	Disputed Trade Receivables - Considered Good				
4	Disputed Trade Receivables - Considered doubtful				

SR. NO.	PARTICULARS	AS AT 31ST MARCH 2023			
		O/S for following periods from due date of payments			
		Less-than 6 months	More-than 6 months - less than	1 to 2 Years	2 to 3 Years
1	Undisputed Trade Receivables - Considered Good	1053.11	2.13		
2	Undisputed Trade Receivables - Considered doubtful				
3	Disputed Trade Receivables - Considered Good				
4	Disputed Trade Receivables - Considered doubtful				

**NOTE 15: CASH & BANK BALANCES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
I.	<b>Cash &amp; Cash Equivalents</b> Cash on Hand		4.91		1.80
I.	<b>Other Bank Balances</b> Fixed Deposits with Banks		369.87		16.28
	<b>TOTAL .....</b>		<b>374.78</b>		<b>18.08</b>

**NOTE 15.1**

SR. NO.	PARTICULARS	AS AT 31-03-2024		AS AT 31-03-2023	
1	Fixed Deposit Pledged with bank as Security against Cr. Facility		369.87		16.28
2	Fixed Deposit Pledged with bank as Security against OD Facility		-		-

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**NOTE 16: SHORT TERM LOANS & ADVANCES**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
I.	<b>Unsecured and Considered Good-From Government</b>				
	Adv. Tax, T.D.S & Self Assessment Tax	62.44		80.98	
	Balance with Statutory Authorities	73.96		70.00	
			136.40		150.98
II.	<b>Unsecured But Considered Good-From Others</b>				
	Advance to Suppliers	410.18		59.71	
	Other Advances	9.59		0.60	
	Prepaid Insurance	10.01		-	
	Prepaid Expenses	44.68		15.31	
			474.46		75.62
	<b>TOTAL .....</b>		<b>610.86</b>		<b>226.60</b>

**NOTE 16.1: DETAILS OF LOANS & ADVANCES TO PROMOTERS, DIRECTORS, KMPS AND RELATED PARTIES**

SR. NO.	PARTICULARS	Amount of Loan or Advance in the nature of Loan Outstanding		% to Total Loans & Advances in the nature of Loan	
		AS AT		AS AT	
		31-03-2024	31-03-2023	31-03-2024	31-03-2023
1	Promoters				
2	Directors				
3	KMPs	NIL	NIL	NIL	NIL
4	Related parties				

**NOTE 17: OTHER CURRENT ASSETS**

SR. NO.	PARTICULARS	AS AT 31-Mar-24		AS AT 31-Mar-23	
	Interest Accrued on FD		2.63		0.16
	Income Due but not Received		0.85		-
	<b>TOTAL .....</b>		<b>3.48</b>		<b>0.16</b>



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*Singh*

*Johny*

**NOTE 18: REVENUE FROM OPERATIONS**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
A.	<b>SALE OF PRODUCTS</b>				
	Net Sales		58780.08		53044.78
	<b>TOTAL .....</b>		<b>58780.08</b>		<b>53044.78</b>
	<b>Sale of Products Comprises</b> (Items constituting more than 10% of the value)				
	- TMT Bars		51504.58		33221.61
			<b>51504.58</b>		<b>33221.61</b>

**NOTE 19: OTHER INCOME**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
1	Interest Income	8.88		0.82	
2	Profit on Sale of Asset	61.00		-	
3	Sundry Balances Written off	9.07		-	
4	Income Tax Refund	0.55		-	
5	Other income	0.01		112.29	
			79.52		113.11
	<b>TOTAL .....</b>		<b>79.52</b>		<b>113.11</b>

**NOTE 20: COST OF MATERIALS CONSUMED**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
I.	<b>RAW MATERIALS CONSUMED:</b>				
A.	Opening Stock	119.68		1404.33	
	Add : Purchase	38057.91		47951.80	
	Add : Commission and Brokerage	25.05		48.30	
		38202.64		49404.43	
	Less : Closing Stocks	(103.20)		(119.68)	
			38099.45		49284.74
	<b>TOTAL .....</b>		<b>38099.45</b>		<b>49284.74</b>
	<b>Total Material Consumed</b> Details of Material Consumed (Items constituting more than 10% of the value)				
	MS Billets/Ingots		38099.45		49284.74

**NOTE 21: PURCHASE OF STOCK IN TRADE**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
	Trading Goods Purchased		15424.26		599.47
			<b>15424.26</b>		<b>599.47</b>
	<b>Sale of Products Comprises</b> (Items constituting more than 10% of the value)				
	TMT Bars		11088.37		586.31
	MS Billets		3134.77		-

**NOTE 22: VARIATION IN INVENTORIES OF FINISHED GOODS AND WORK IN PROCESS**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
	<b>Closing Stock</b>				
	Finished Goods		5024.27		4716.57
	Scrap		54.54		37.80
	Binding wires		23.31		10.57
	<b>Opening Stock</b>				
	Finished Goods		4716.57		2462.78
	Scrap		37.80		122.59
	Binding Wires		10.57		4.06
	<b>Variation of Stock</b>		<b>(337.18)</b>		<b>(2175.51)</b>

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**NOTE 23: MANUFACTURING EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
<b>I. Manufacturing Expense</b>					
1	Power, Fuel & Utilities		1415.54		1923.45
2	Stores & Spares Consumed		99.54		157.31
3	<b>REPAIRS &amp; MAINTENANCE:</b> -Plant & Machinery		16.95		19.48
4	<b>Other Manufacturing Expenses</b>		47.77		49.58
	<b>TOTAL .....</b>		<b>1579.80</b>		<b>2149.82</b>

**NOTE 24: EMPLOYEE BENEFIT EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
	<b>Salary and Wages</b>				
1	Director's Salary	116.70		114.26	
2	Contribution to Provident Fund and other funds	2.67		2.07	
3	Salaries, Wages and Other Benefits	700.58		719.24	
			819.95		835.57
	<b>TOTAL .....</b>		<b>819.95</b>		<b>835.57</b>

**NOTE 25: FINANCE COST**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
1	Interest on Term Loan		2.40		5.21
2	Interest on Cash Credit		453.73		359.01
3	Interest on Vehicle Loan		6.07		3.93
4	Other Interest		17.74		0.92
5	Bank Charges & Processing Fees		111.43		13.05
6	Interest On WCTL		52.56		72.12
	<b>TOTAL .....</b>		<b>643.94</b>		<b>454.24</b>

**NOTE 26: DEPRECIATION AND AMORTISATION EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
1	Depreciation on Fixed Assets		157.62		149.37
2	Preliminary Exps. Written Off		6.42		5.65
	<b>TOTAL .....</b>		<b>164.04</b>		<b>155.02</b>

**NOTE 27: ADMINISTRATIVE, SELLING AND OTHER EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
<b>I. ADMINISTRATIVE EXPENSES</b>					
1	Rent, Rates & Taxes	2.43		2.21	
2	Audit Fees	1.10		1.00	
3	Legal & professional fees	21.98		26.50	
4	Fuel and Conveyance Expenses -Travelling Expenses	4.48		3.40	
5	Stationery & Printing Expense	1.01		1.32	
6	Telephone, Mobile & Internet Expense	0.33		0.86	
7	Post, Telegram & Courier Expense	0.82		0.69	
8	Insurance Expenses	2.49		3.10	
9	Corporate Social responsibility Expenses	12.20		10.92	
			46.84		50.00
<b>II. SELLING EXPENSES</b>					
1	Sales Promotion Expenses	8.08		8.05	
2	Royalty Expense (License fees)	486.93		422.93	
3	Outward Freight Charges (Including Diesel of Trucks)	805.30		813.11	
4	Discount/Rebate / Commission	1.88		35.65	
			1302.19		1279.75
<b>III. OTHER EXPENSES</b>		43.39		32.96	
			43.39		32.96
	<b>TOTAL .....</b>		<b>1392.42</b>		<b>1362.70</b>

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**NOTE 27.1: AUDITOR'S REMUNERATION**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
1.	Auditor's Remuneration comprises of				
	- Audit Fees		1.10		1.00
	- Other Services				
	- Reimbursement of out of pocket expenses				
	<b>TOTAL .....</b>		<b>1.10</b>		<b>1.00</b>

**NOTE 28: EARNINGS PER SHARE**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.		PREVIOUS YEAR AMOUNT RS.	
	Profit after Tax		768.94		370.00
	Weighted Average number of equity shares		171.39		122.00
	Nominal Value of equity share		1723.56		1220.00
	Basic Earning per share of Rs		4.49		3.03
	Diluted Earnings per share of Rs		4.49		3.03








## ADITYA ULTRA STEEL LIMITED

NOTE "11" : Property, Plant and Equipment

SR. No.	Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As At 1st April 2023	Addition During the year	Sale During the year	As at 31st March 2024	Upto 1st April 2023	For The Year	Adjustment During The year	as at 31st March 2024	As At 31st March 2024	As At 31st March 2023
<b>I. TANGIBLE ASSETS</b>											
1	Land	1308.76	-	-	1308.76	-	-	-	-	1308.76	1308.76
2	Building	335.92	0.48	-	336.40	98.18	10.24	-	108.42	227.98	237.73
3	Factory Godown	99.38	-	-	99.38	16.24	2.29	-	18.53	80.85	83.13
4	Plant & Machinery	2029.88	179.62	45.92	2163.58	700.74	101.39	(26.14)	775.99	1387.59	1329.13
5	Computer and Printer	11.22	1.11	-	12.34	10.64	0.49	-	11.13	1.20	0.59
6	Furniture and Fixtures	15.84	-	-	15.84	11.45	0.34	-	11.79	4.04	4.39
7	Office Equipments	6.83	1.44	-	8.27	5.72	0.71	-	6.44	1.84	1.11
8	Vehicles	335.28	145.25	-	480.53	171.70	42.15	-	213.87	266.67	163.57
<b>TOTAL</b>		<b>4143.11</b>	<b>327.90</b>	<b>45.92</b>	<b>4425.09</b>	<b>1014.68</b>	<b>157.62</b>	<b>(26.14)</b>	<b>1146.16</b>	<b>3278.93</b>	<b>3128.42</b>
<b>Previous Year</b>		<b>4014.28</b>	<b>128.83</b>	-	<b>4143.11</b>	<b>865.31</b>	<b>149.37</b>	-	<b>1014.68</b>	<b>3128.42</b>	<b>3148.97</b>



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Note : 29: ADDITIONAL INFORMATION

OTHER NOTES

(Amount in Lakhs)

(A) :Contingent liabilities & commitments:

Particulars	Period ended March 31,2024	Year ended March 31,2023
<b>a) Contingent Liabilities</b>		
1) Bank guarantees given to PGVCL from HDFC Bank	137.68	137.68
<b>2) Corporate guarantee given on behalf of VMS TMT Private Limited</b>		
- HDFC Bank		1801.98
- SVC Bank	4167.56	3628.43
- ICICI Bank	2793.20	-
<b>TOTAL Rs. &gt;&gt;&gt;</b>	<b>7098.45</b>	<b>5568.10</b>

(A)(I) :Contingent Liabilities not provided:

The Company has not recognized and acknowledged the GST demand as liability in its books of accounts aggregating to Rs. 261.93 lacs in respect of earlier years since the company has disputed the demand and has filed reply before appropriate authorities. The same are pending for final adjudication.

The Company has not recognized and acknowledged the Income Tax demand as liability in its books of accounts aggregating to Rs. 322.11 lacs in respect of earlier years since the company has disputed the demand and has filed reply before appropriate authorities. The same are pending for final adjudication.

(B) :Particulars Relating To Corporate Social Responsibility:

Amount required to be spent by the company during the year	Amount of expenditure incurred,	Nature of CSR activities	Details of related party transactions	Details of movements in the provision during the year
12.20	12.20	For Education of underprivileged children	None	None

(C) :Related Party Disclosures::

As per AS-18 "Related Party Disclosures" issued by the ICAI, the disclosure of transactions with relate parties as defined in the accounting standard has been given as under:

1. List of Related parties

Key Management Personnel	Position
i. Varun M. Jain	Director
ii. Varuna V. Jain	Director (Resigned during current FY 2023-24)
iii. Sunny S. Singhi	Managing Director
iv. Maheshbhai T. Gulwani	Chief Financial Officer
v. Tina Mulani	Company Secretary

Relatives/Associate Concerns of Key Management Personnel

- VMS Industries Ltd. ( Entity in which relative of Appointed director interested)
- VMS TMT Pvt. Ltd. ( Entity in which Appointed director interested)

2. Transaction with Related Parties

Nature of Transaction	Name of the Party	31-Mar-24	31-Mar-23
Loans Taken	VMS Industries Ltd.	300.00	99.00
Loans Repaid	VMS Industries Ltd.	300.00	99.00
Director Remuneration (including Bonus)	Mr. Varun Jain	63.60	60.30
	Mrs. Varuna Jain	9.90	13.26
	Mr. Sunny Singhi	43.20	40.70
KMP Salary	Mr. Maheshbhai T. Gulwani	3.76	2.52
	Mrs. Tina Mulani	0.80	-
Rent Paid (Net of GST)	VMS Industries Ltd.	-	0.60
Interest Paid on Unsecured	VMS Industries Ltd.	14.60	-



**(D) : Utilisation Of Borrowed Funds And Share Premium:**

(a) During the year, 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 persons or entities, 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, any security or the like on behalf of the Ultimate Beneficiaries.

(b) During the year, no funds have been received by the Company from any persons or entities, 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, any security or the like on behalf of the Ultimate Beneficiaries.

**(E) : Taxes on Income:**

Taxes on income comprises of current tax and deferred tax. Taxes on income have been determined based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income taxes are determined for future consequences attributable to timing differences between financial determination of income and income chargeable to tax as per the provisions of Income Tax Act, 1961. Deferred tax liability has been worked out using the tax rate and tax laws that were in force as on the date of balance sheet and has not been discounted to its present value.

**(F) :Provisions, Contingent Liabilities and Contingent Assets:**

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of the Company's resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure of contingent liabilities is made when there is a possible obligation that may, but probably will not, require an outflow of resources. As a measure of prudence, the contingent assets are not recognised.

**(G) :Prior Period Items:**

Prior period expenses have been adjusted to the carrying amount of surplus of Statement of Profit & Loss.

**(H)**

In the opinion of the Board of Directors, Current Assets & Loans and Advances have a value on realisation in the ordinary course of business equal to the amount at which they are stated in the balance sheet. In the opinion of the Board of Directors, claims receivable against property/goods are realizable as per the terms of the agreement and/or other applicable relevant factors and have been stated in the financial statements at the value which is most probably expected to be realized.

**(I)**

The company has obtained balance confirmation from some of the parties for Unsecured Loans, Sundry Creditors, Sundry Debtors and parties to whom loans/advance have been granted. All other balances of debtors and creditors, loans and advances and unsecured loans are subject to confirmation and subsequent reconciliation, if any.

**(J)**

The previous year's figures have been reworked, regrouped and reclassified wherever necessary so as to make them comparable with those of the current period.

**(K)**

Paise are rounded up to the nearest of rupee. The negative figures have been shown in brackets.

**FOR AND ON BEHALF OF THE BOARD  
ADITYA ULTRA STEEL LIMITED**

**AS PER OUR REPORT OF EVEN DATE  
FOR S. N. SHAH & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W**

**MANAGING  
DIRECTOR  
DIN:07210706  
SUNNY SINGHI  
PLACE: AHMEDABAD  
DATE: 20-05-2024**

**NON-EXECUTIVE  
DIRECTOR  
DIN:03502561  
VARUN JAIN**

**CHIEF FINANCIAL  
OFFICER  
MAHESH G.**



**COMPANY  
SECRETARY  
A71850  
TINA MULANI**



**PRIYAM S SHAH  
PARTNER  
M. NO. 144892**

**Note 29 (A)****(b) Defined benefit plans:**

The Company has following post employment benefits which are in the nature of defined benefit plans:

**(a) Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for payment to vested employees at retirement, death while in employment or on termination of employment in accordance with the scheme of the company. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

**1. The principal assumptions used for the purposes of the actuarial valuations were as follows:**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
1	Discount rate (per annum)	7.10%
2	Expected rate of salary increase	7.00%
3	Attrition rate	5% to 1%
4	Mortality rate during employment (% of IALM 2012-14) Urban	100%

**2. Movements in present value of obligation and plan assets**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
1	Opening defined benefit obligation	26.29
2	Current service cost	10.49
3	Interest cost	1.87
4	Actuarial (gain)/loss arising from changes in financial assumptions	1.20
5	Actuarial (gain)/loss arising from experience adjustments	(10.49)
	<b>Closing defined benefit obligation</b>	<b>29.35</b>

**3. Classification of Defined benefit Obligation**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
	Non-Current Liability	27.99
	Current Liability	1.36
	<b>Total Liability carried to Balancesheet</b>	<b>29.35</b>

**4. Amount of Expense recognised in the Profit & Loss**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
1	Current Service Cost	10.49
2	Interest on Obligation	1.87
3	Expected Return on Plan Assets	-
4	Net actuarial losses (gains) recognized in the year	(9.29)
	<b>Expense recognised in Profit &amp; Loss</b>	<b>3.06</b>

**5. Sensitivity analysis of significant assumptions are as follows:**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
	<b>Defined benefit obligation (Base)</b>	<b>29.35</b>
	Delta Effect of +1% Change in Rate of Discounting	25.62
	Delta Effect of -1% Change in Rate of Discounting	33.96
	Delta Effect of +1% Change in Rate of Salary Increase	33.92
	Delta Effect of -1% Change in Rate of Salary Increase	25.58
	Delta Effect of +1% Change in Rate of Employee Turnover	29.39
	Delta Effect of -1% Change in Rate of Employee Turnover	29.31

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**Notes**

- a The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- b The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.
- c Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the balance sheet

**6.The followings are the expected cash flows for the defined benefit obligation**

SR. NO.	PARTICULARS	AS ON 31-Mar-24
1	Within next 12 months (next annual reporting period)	1.36
2	Between 2 to 5 years	3.97
3	Beyond 5 years	3.52
	<b>Total expected payments</b>	<b>8.86</b>

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## NOTE : 29(B)

## (a) Ratios

Sr No.	Ratios	Numerator	Denominator	As at 31st March, 2024	As at 31st March, 2023	Variance	Explanation for any change in ratio by more than 25% as compared to preceding year
1	Current Ratio	Current Assets	Current Liabilities	1.27	1.31	-3.03%	N.A.
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	1.48	1.76	-15.85%	N.A.
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	2.11	1.59	33.17%	The company's profitability has improved due to which the DSCR has improved.
4	Return on Equity Ratio	NPAT less Pref Dividend	Avg Shareholder's Equity	23.63%	15.31%	54.35%	The company's profitability has improved alongwith same level of operating costs therefore there is an increase in ROE.
5	Inventory Turnover Ratio	COGS	Avg Inventory	9.72	10.32	-5.82%	N.A.
6	Trade Receivables turnover ratio	Net Credit Sales	Avg Trade Receivables	20.34	58.10	-64.99%	It indicates that the company is recovering dues faster from its customers as compared to previous year.
7	Trade Payables turnover ratio	Net Credit Purchases	Avg Trade Payables	35.97	205.28	-82.48%	It indicates that the company is making prompt payment towards purchase made by them.
8	Net Capital turnover ratio	Net Sales	Avg Working Capital	29.48	34.01	-13.32%	N.A.
9	Net Profit Ratio	NPAT	Net Sales	1.31%	0.70%	87.55%	The company's profitability has improved alongwith same level of operating costs therefore there is an increase in NPR.
10	Return on Capital Employed	EBIT	Capital Employed	18.30%	12.10%	51.28%	The company's profitability has improved alongwith same level of operating costs therefore there is an increase in ROCE.
11	Return on Investment	Income from Investment	Cost of Investment	NA	NA	0.00	N.A.



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