



**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, 2021 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, 2021, 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.



**Ahmedabad (HO)**

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**Surat Branch**

801, Center Point,  
Ring Road,  
Surat - 385002



**Gandhidham Branch**

204, Sunshine Arcade,  
Gandhidham-Kulch - 370201

**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, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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 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 does not have any pending litigations which would impact its financial position;
- 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.

PLACE: AHMEDABAD

DATED: 22-10-2021

UDIN: 21144892 AAAA F R 2859

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

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, 2021:

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 '25' to the Financial Statements, Note No. 1 on Significant Accounting Policies and Note No. 26 on Additional Information to the Financial Statements**, we further report that:

- i. In respect of its fixed assets:
  - a) According to the information and explanations given to us, the company has maintained proper records of fixed assets showing full particulars including quantitative details and situation of fixed assets.
  - b) 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.
  - c) 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 are held in the name of the Company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- iii. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- iv. According to the information and explanations given to us, the company has not entered into any 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 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. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- 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., Provident Fund, GST and other material statutory dues applicable to it. There has been no outstanding as at 31<sup>st</sup> March, 2021 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, there were no statutory dues outstanding as at 31<sup>st</sup> March, 2021 which have not been deposited on account of any dispute.
- viii. 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 or financial institutions as due during the year. As at 31<sup>st</sup> March, 2021 there was no default or irregularity in respect of repayment of principal amount of such loans or borrowings.
- ix. The term loans taken during the year have been applied for the purposes for which those are raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its Officers or Employees has been noticed or reported to us by the management during the year.
- xi. According to the information and explanations given to us, the company had paid/provided managerial remuneration in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.



- xii. As the company is not the Nidhi Company, clause (xii) of paragraph 3 of The Order, is not applicable to it during the year.
- 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. According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

MEMBER REG. NO. 109782W



PRIYAM S SHAH  
PARTNER

M. No. 144892

PLACE: AHMEDABAD

DATED: 22-10-2021

UDIN: 21144892 AAAAF R2859

**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 31<sup>ST</sup> MARCH 2021**

**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, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

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

The management 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, 2021, 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".

PLACE: AHMEDABAD

DATED:22-10-2021

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

PRIYAM S. SHAH

PARTNER

M. No. 144892



**ADITYA ULTRA STEEL LIMITED**

Balance Sheet as at 31st March 2021

SR. NO.	PARTICULARS	Note No	AS AT	
			31-Mar-21	31-Mar-20
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
1	<b>SHAREHOLDER'S FUND</b>			
	(a) Share Capital	2	1220,00,000	1220,00,000
	(b) Reserves and Surplus	3	1870,33,263	1415,75,562
			3090,33,263	2635,75,562
2	<b>NON-CURRENT LIABILITIES</b>			
	(a) Long-Term Borrowings	4	837,45,052	1797,57,417
	(b) Deferred Tax Liabilities (Net)	5	160,88,000	135,97,000
			998,33,052	1933,54,417
3	<b>CURRENT LIABILITIES</b>			
	(a) Short-Term Borrowings	6	2629,30,879	2536,50,408
	(b) Trade Payables	7	416,03,518	466,74,049
	(c) Other Current Liabilities	8	290,56,864	109,21,701
	(d) Short-Term Provisions	9	263,22,904	79,48,764
			3599,14,166	3191,94,922
	<b>TOTAL .....</b>		<b>7687,80,481</b>	<b>7761,24,901</b>
<b>II.</b>	<b>ASSETS</b>			
1	<b>NON CURRENT ASSETS</b>			
	(a) FIXED ASSETS	10		
	(i) Tangible assets		3205,57,740	3227,13,724
	(b) Non-Current Investments			
	(c) Long Term Loans and Advances	11	4,56,768	6,35,438
	(d) Other Non Current Asset	12	22,58,080	28,22,600
			3232,72,588	3261,71,762
2	<b>CURRENT ASSETS</b>			
	(a) Inventories	13	2892,55,289	3763,29,258
	(b) Trade Receivables	14	379,08,816	417,39,052
	(c) Cash and Cash Equivalents	15	977,85,708	22,17,666
	(d) Short-Term Loans and Advances	16	197,87,854	289,89,122
	(e) Other Current Assets	17	7,70,227	6,78,041
			4455,07,893	4499,53,139
	<b>TOTAL .....</b>		<b>7687,80,481</b>	<b>7761,24,901</b>
IV.	SIGNIFICANT ACCOUNTING POLICIES	1		
V.	ADDITIONAL INFORMATION	26		

FOR AND ON BEHALF OF THE BOARD  
ADITYA ULTRA STEEL LIMITED

*V. Jain*  
MANAGING  
DIRECTOR  
DIN: 03502561

*Varuna*  
WHOLE TIME  
DIRECTOR  
DIN:07547363

VARUN  
JAIN  
PLACE: AHMEDABAD  
DATE: 22-10-2021

VARUNA  
JAIN

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

UDIN: 21144892 AAAA FR 2859

## ADITYA ULTRA STEEL LIMITED

Profit and Loss Account for the year ended 31st March, 2021

SR. NO.	PARTICULARS	Note No	Current Year Amount Rs.		Previous Year Amount Rs.	
I.	Revenue From Operations	18	34675,53,501		33059,50,662	
II.	Other Income	19	4,46,203		111,16,880	
III.	<b>TOTAL REVENUE (I +II)</b>			<b>34679,99,704</b>		<b>33170,67,542</b>
IV.	<b>EXPENSES</b>					
1	Cost of Materials Consumed	20	29155,24,380		29507,45,538	
2	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	972,54,501		(113,02,767)	
3	Employee Benefit Expense	22	649,23,587		565,17,134	
4	Financial Costs	23	303,91,499		298,34,758	
5	Depreciation and Amortization Expense	24	144,95,311		123,65,761	
6	Other expenses	25				
7	Manufacturing Expenses		1612,22,131		1418,66,291	
8	Administrative, Selling & Other Expenses		1175,35,689		1068,62,611	
	<b>TOTAL EXPENSES</b>			<b>34013,47,098</b>		<b>32868,89,327</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)			<b>666,52,606</b>		<b>301,78,216</b>
VI.	<b>PROFIT BEFORE TAX (III - IV)</b>			<b>666,52,606</b>		<b>301,78,216</b>
VII.	<b>Tax expense:</b>					
	(1) Current tax		(145,28,345)		(50,37,348)	
	(2) MAT Tax Credit		(38,05,104)		4,30,455	
	(3) Deferred Tax Asset/(Liability)		(24,91,000)		(3,93,000)	
				(208,24,449)		(49,99,893)
VIII.	<b>Profit(Loss) for the period from continuing operations (V-VII)</b>			<b>458,28,156</b>		<b>251,78,323</b>
IX.	Earning per equity share:					
	(1) Basic			3.76		2.06
	(2) Diluted			3.76		2.06

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

*Varun Jain*  
MANAGING  
DIRECTOR  
DIN: 03502561

*Varuna Jain*  
WHOLE TIME  
DIRECTOR  
DIN:07547363

VARUN  
JAIN  
PLACE: AHMEDABAD  
DATE: 22-10-2021

VARUNA  
JAIN



*S. N. Shah*  
S. N. SHAH & ASSOCIATES  
PARTNER

M. NO. 144892

UDIN: 21144892 AAAA FR2859

**ADITYA ULTRA STEEL LIMITED**

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021**

**Indirect Method**

**(Amount in Rs.)**

SR. NO.	Particulars	Year Ended 31-Mar-21	Year Ended 31-Mar-20
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>I</b>	<b>Net Profit Before Taxation</b>	666,52,606	301,78,216
	Adjustments for :		
	Add : Depreciation and Amortization Expense	144,95,311	123,65,761
	Interest Expenses	291,26,475	274,62,782
	Less : Interest Income	(2,90,571)	(108,39,481)
	Prior Period Expenses	-	(3,12,325)
	Income Tax Expense	(183,33,449)	(46,06,893)
	Profit on sale of asset	(1,24,807)	
	Excess/Short Provision Income Tax	(3,70,456)	(3)
	Sundry Balances W/off	-	(2,47,957)
<b>II</b>	<b>Operating Profit before Working Capital Changes</b>	<b>911,55,108</b>	<b>540,00,100</b>
	Adjustments for :		
	Change in Inventories	870,73,969	(425,72,584)
	Change in Loans & Advances and Non Current Asset	1,78,670	(1,24,937)
	Change in Short Term Loans & Advances	91,09,082	(113,24,833)
	Change in Other Current Liabilities	365,09,304	(264,80,611)
	Change in Trade Receivables	38,30,236	476,90,103
	Change in Trade Payable	(50,70,531)	(374,53,606)
<b>III</b>	<b>Cash Generated from Operations</b>	<b>2227,85,838</b>	<b>(162,66,368)</b>
	Less : Income Taxes Excess Provided	-	
<b>IV</b>	<b>Cash Flow Before Extraordinary Items</b>	<b>2227,85,838</b>	<b>(162,66,368)</b>
<b>V</b>	<b>Net Cash from Operating Activities (A)</b>	<b>2227,85,838</b>	<b>(162,66,368)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets (Including CWIP)	(121,50,000)	(418,81,433)
	Sale of Fixed Assets	5,00,000	
	Change in Other Investments	-	20,000
	Interest Income	2,90,571	108,39,481
	<b>Net Cash from/(Used In) Investing Activities (B)</b>	<b>(113,59,429)</b>	<b>(310,21,952)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Change in Unsecured Loan	(1400,00,000)	737,31,332
	Change in Security Deposit	-	(51,02,043)
	Proceed From Term Loans	439,87,635	83,08,190
	Change in Short Term Borrowing	92,80,471	(26,40,582)
	Interest Paid	(291,26,475)	(274,62,782)
	<b>Net Cash from/(Used In) Financing Activities (C)</b>	<b>(1158,58,369)</b>	<b>468,34,114</b>
	<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>955,68,040</b>	<b>(4,54,206)</b>
	<b>Cash and Cash Equivalents at the Beginning of the Period</b>	<b>22,17,666</b>	<b>26,71,872</b>
	<b>Cash and Cash Equivalents at the End of the Period</b>	<b>977,85,706</b>	<b>22,17,666</b>

**ADITYA ULTRA STEEL LIMITED**

*N Jain*  
**MANAGING  
 DIRECTOR**  
 DIN: 03502561

**VARUN  
 JAIN**

*Varuna*  
**WHOLE TIME  
 DIRECTOR**  
 DIN:07547363

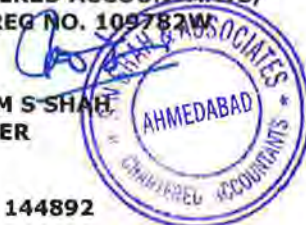
**VARUNA  
 JAIN**

**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**



**PLACE: AHMEDABAD  
 DATE: 22-10-2021**

## 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) Fixed Assets :**

The Fixed Assets are stated at cost of acquisition/construction (less Accumulated Depreciation, if any) except land. The cost of Fixed Assets 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 Fixed Assets at a value net of GST received/receivable during the period in respect of eligible Capital Goods. Subsequent expenditures on Fixed Assets 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 fixed assets 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 Fixed Assets 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 fixed assets 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) Inventories**

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.
<b>g)</b>	<b>Revenue Recognition</b>
	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.
<b>h)</b>	<b>Foreign Currency Transactions</b>
	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.
<b>i)</b>	<b>Employee Benefits</b>
	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.
<b>j)</b>	<b>Borrowing Costs</b>
	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.
<b>k)</b>	<b>Segment Reporting</b>
	The dominant source of income of the company is from the sale of TMT Bars, Iron & 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.
<b>l)</b>	<b>Impairment of Assets</b>
	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 fixed assets, 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 fixed assets.



**ADITYA ULTRA STEEL LIMITED**

Notes "2" to "26" on Financial Statements for the Period Ended 31ST March,2021

**NOTE 2 : SHARE CAPITAL**

SR. NO.	PARTICULARS	AS AT	
		31-Mar-21	31-Mar-20
1	<b>EQUITY SHARES AUTHORISED</b> 2,00,00,000 Shares of Rs.10/= each at par		2000,00,000
2	<b>Issued, Subscribed and Paid Up Capital</b> 1,22,00,000 Shares of Rs. 10/= each fully paid up (Previous Year 1,22,00,000 equity shares of ₹10/-each) <b>TOTAL .....</b>	1220,00,000 <b>1220,00,000</b>	1220,00,000 <b>1220,00,000</b>
3	<b>Reconciliation of Number Shares Outstanding at the beginning and at the end of the period</b> Outstanding as at the beginning of the year Add: Shares issued as fully paid up for consideration in cash Outstanding as at the End of the year	122,00,000 - 122,00,000	122,00,000 - 122,00,000

4 **Details of Shareholder Holding 5% or More Shares in the Company**

Name of the Shareholder	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
Varun Jain	29,43,000	24.12%	104,35,000	85.53%
Varuna Jain	48,61,000	39.84%	17,60,000	14.43%
Sunny Singhi	43,92,000	36.00%	-	0.00%

**NOTE 3 : RESERVE & SURPLUS**

SR. NO.	PARTICULARS	AS AT	
		31-Mar-21	31-Mar-20
1	<b>Revaluation Reserve</b> Balance as at the beginning of the year Add: Additions during the year Less: Withdrawals/Deductions during year	1093,94,898	1093,94,898
2	<b>Profit &amp; Loss Statement Surplus</b> Balance as at the beginning of the year Add: Profit/(loss) during the Period Add/Less: Short/Excess Provision W/off Less: Prior period Expenses Balance Carried to Balance Sheet	321,80,664 458,28,156 (3,70,456) 776,38,364	73,14,669 251,78,323 (3) (3,12,325) 321,80,664
	<b>TOTAL .....</b>	<b>1870,33,263</b>	<b>1415,75,562</b>



**NOTE 4 : LONG TERM BORROWINGS**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
<b>I.</b>	<b>SECURED</b>		
	<b>Term Loans</b>		
	HDFC Bank- Term Loan*	69,26,846	93,80,867
	HDFC Bank - GECL**	552,34,356	29,47,070
	Vehicle Loan***	103,54,617	162,00,247
<b>II.</b>	<b>UNSECURED</b>		
	Corporate Borrowing	-	1400,00,000
<b>III.</b>	<b>Other Long Term Liability</b>		
	Security Deposit	112,29,233	112,29,233
	<b>TOTAL .....</b>	<b>837,45,052</b>	<b>1797,57,417</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, Bhalgam, 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 commencing from December 2019 of Rs. 2,76,881/- each.  
\*\* GECL from HDFC Bank to be repaid in 36 monthly EMI starting from February 2022 and ending in January 2025 of Rs. 18,27,351/- each.  
\*\*\* New Truck Loans From Bank to be repaid in 60 Monthly Instalments  
\*\*\*\* Truck Loans Refinanced From Bank to be repaid in 36 Monthly Instalments.

**NOTE 5 : DEFERRED TAX LIABILITIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
	Opening Balance	135,97,000	132,04,000
	Add: Deferred Tax Liabilities	24,91,000	3,93,000
	Closing Balance	<b>160,88,000</b>	<b>135,97,000</b>

**NOTE 6: SHORT TERM BORROWINGS**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
<b>I.</b>	<b>SECURED</b>		
	<b>From Banks</b>		
	Cash Credit	2629,30,879	2536,50,408
	<b>TOTAL .....</b>	<b>2629,30,879</b>	<b>2536,50,408</b>

**Primary Security for Cash Credit:**  
Hypothecation of all inventory and book debts.  
Working Capital Loan repayable on demand



**NOTE 7: TRADE PAYABLES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
1	Sundry Creditors for Goods	143,17,585	146,03,366
2	Sundry Creditors for Expenses	64,55,633	230,79,957
3	Sundry Creditors For Capital Goods	208,30,300	89,90,726
	<b>TOTAL .....</b>	<b>416,03,518</b>	<b>466,74,049</b>

**NOTE: DUES TO MICRO AND SMALL ENTERPRISES**

The Company has dues outstanding as at the reporting date to certain suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED

SR. NO.	PARTICULARS	AS AT 31-03-2021	AS AT 31-03-2020
I	The principal amount remaining unpaid to any supplier at the end of the year.		
II	Interest due as claimed remaining unpaid to any supplier at the end of the year.		
III	The amount of interest paid by the company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the suppliers beyond the appointed day during the year.		
IV	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.		
V	The amount of interest accrued and remaining unpaid at the end of accounting year.		
VI	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.		
	<b>TOTAL .....</b>		

I Trade payables are non-interest bearing and are normally settled within the normal credit period.

II See note No. 26 (6)

**NOTE 8: OTHER CURRENT LIABILITIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
A.	<b>SECURED TERM LOANS*</b>		
	HDFC Bank- Term Loan*	26,11,974	8,53,156
	HDFC Bank - GECL**	57,96,808	41,62,266
	<b>VEHICLE LOANS**</b>		
	Vehicle Loan***	58,44,574	31,80,919
		58,44,574	31,80,919
B	<b>Statutory Liability</b>	143,80,842	24,35,360
C	<b>Other Current Liability</b>		
	-Advances from Customers	4,22,667	2,90,000
	<b>TOTAL .....</b>	<b>290,56,864</b>	<b>109,21,701</b>
*	Refer Note No. 3 for Security Offered, Personal Guarantee and Terms of Repayment.		
**	Refer Note No. 3 for Security Offered.		

**NOTE 9: SHORT TERM PROVISIONS**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
	Provision for Salary	21,00,078	20,72,336
	Provision for Audit Fees	90,000	90,000
	Other Provision	8,79,498	1,59,480
	Directors Salary Payable	-	5,89,600
	Income Tax Provision	145,28,345	50,37,348
	Provision for Electricity	40,74,873	
	Provision for Royalty Expense	46,03,704	
	Provision for water	46,406	
	<b>TOTAL .....</b>	<b>263,22,904</b>	<b>79,48,764</b>



## ADITYA ULTRA STEEL LIMITED

### NOTE "10" : FIXED ASSETS

SR. No.	Description of Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As At 1st April 2020	Addition During the year	Sale During the year	As at 31st March 2021	Upto 1st April 2020	For The Year	as at 31st March 2021	As At 31st March 2021	As At 31st March 2020
<b>I.</b>	<b>TANGIBLE ASSETS</b>									
1	Land	1308,75,800	-	-	1308,75,800	-	-	-	1308,75,800	1308,75,800
2	Building	335,91,828	-	-	335,91,828	69,84,348	9,37,259	79,21,607	256,70,221	266,07,480
3	Factory Godown	72,23,153	-	-	72,23,153	8,67,026	2,28,733	10,95,759	61,27,394	63,56,127
4	Plant & Machinery	1788,43,880	121,50,000	(3,75,193)	1906,18,687	445,46,389	89,43,259	534,89,648	1371,29,038	1342,97,491
5	Computer and Printer	10,13,157	-	-	10,13,157	5,24,281	1,75,176	6,99,457	3,13,700	4,88,876
6	Furniture and Fixtures	15,58,223	-	-	15,58,223	7,41,319	1,34,011	8,75,330	6,82,893	8,16,904
7	Office Equipments	6,58,049	-	-	6,58,049	1,81,460	1,24,811	3,06,271	3,51,778	4,76,589
8	Vehicles	292,51,443	-	-	292,51,443	64,56,986	33,87,542	98,44,528	194,06,915	227,94,457
	<b>TOTAL .....</b>	<b>3830,15,533</b>	<b>121,50,000</b>	<b>(3,75,193)</b>	<b>3947,90,340</b>	<b>603,01,809</b>	<b>139,30,791</b>	<b>742,32,600</b>	<b>3205,57,740</b>	<b>3227,13,724</b>
	<b>Previous Year .....</b>	<b>3411,34,099</b>	<b>418,81,433</b>	<b>-</b>	<b>3830,15,532</b>	<b>479,88,818</b>	<b>123,12,991</b>	<b>603,01,808</b>	<b>3227,13,724</b>	<b>2931,45,283</b>



**NOTE 11: LONG TERM LOANS & ADVANCES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
I.	<b>Unsecured, Considered Good</b>		
1	Security Deposit	4,56,768	6,35,438
	<b>TOTAL .....</b>	<b>4,56,768</b>	<b>6,35,438</b>

**NOTE 12: OTHER NON CURRENT ASSET**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
1	Preliminary Expenses to the extent not written off	22,58,080	28,22,600
	<b>TOTAL .....</b>	<b>22,58,080</b>	<b>28,22,600</b>

**NOTE 13: INVENTORIES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
I			
1	Raw Materials	567,53,234	350,04,934
2	Coal	5,63,105	3,83,861
3	Finished Goods	2174,46,379	3171,82,709
4	Melting Scrap	106,15,165	79,85,077
5	Store & Spares	30,14,247	147,61,259
6	Binding Wires	8,63,159	10,11,418
	<b>TOTAL .....</b>	<b>2892,55,289</b>	<b>3763,29,258</b>
	<b>TOTAL .....</b>	<b>2892,55,289</b>	<b>3763,29,258</b>

**NOTE 14: TRADE RECEIVABLES**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
1	<b>Unsecured But Considered Good</b>		
	-Outstanding for a period Exceeding Six Months (From the date from which they became due for payment)	-	129,95,204
	-Others	379,08,816	287,43,848
	<b>TOTAL .....</b>	<b>379,08,816</b>	<b>417,39,052</b>

**NOTE 15: CASH & CASH EQUIVALENT**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
1	<b>Balance with Banks:</b>		
	Current Account	964,30,776	40
	<b>Fixed Deposits with Banks</b>		
		964,30,776	40
		13,29,065	13,29,065
2	Cash on Hand	25,867	8,88,561
	<b>TOTAL .....</b>	<b>977,85,708</b>	<b>22,17,666</b>

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

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
I.	<b>Unsecured and Considered Good-From Government</b>		
	MAT Credit Reserve	2,11,185	40,16,288
	Adv. Tax, T.D.S & Self Assessment Tax	18,54,380	16,56,402
	Balance with Statutory Authorities	89,06,697	102,79,021
		109,72,262	159,51,711
II.	<b>Unsecured But Considered Good-From Others</b>		
	Advance to Consumables and Stores Suppliers	62,50,104	12,18,370
	Advance for Capital Goods	2,50,000	14,89,000
	Other Advances	20,12,593	98,48,848
	Prepaid Expenses	3,02,895	4,81,193
		88,15,592	130,37,411
	<b>TOTAL .....</b>	<b>197,87,854</b>	<b>289,89,122</b>



**NOTE 17: OTHER CURRENT ASSETS**

SR. NO.	PARTICULARS	AS AT 31-Mar-21	AS AT 31-Mar-20
1	Interest Accrued on NSC - but not due		-
2	Interest Subsidy Receivable on Term Loan	5,61,325	5,61,325
3	Interest Accrued on FD	2,08,902	1,16,716
	<b>TOTAL .....</b>	<b>7,70,227</b>	<b>6,78,041</b>

**NOTE 18: REVENUE FROM OPERATIONS**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
A.	<b>SALE OF PRODUCTS</b>		
	Net Sales	34675,53,501	33059,50,662
	<b>TOTAL .....</b>	<b>34675,53,501</b>	<b>33059,50,662</b>

**NOTE 19: OTHER INCOME**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
1	Sundry Balances Written Off	-	2,47,957
2	Discount	30,825	19,642
3	Interest Income	2,90,571	108,39,481
4	Profit on Sale of Asset	1,24,807	-
5	Other income	-	9,800
	<b>TOTAL .....</b>	<b>4,46,203</b>	<b>111,16,880</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	350,04,934	109,22,867
	Add : Purchases	29372,72,680	29748,27,605
		29722,77,614	29857,50,472
	Less : Closing Stocks	(567,53,234)	(350,04,934)
	<b>TOTAL .....</b>	<b>29155,24,380</b>	<b>29507,45,538</b>

**NOTE 21: 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	2174,46,379	3171,82,709
	Trading Goods	-	-
	Scrap	106,15,165	79,85,077
	Binding wires	8,63,159	10,11,418
	<b>Opening Stock</b>		
	Finished Goods	3171,82,709	3108,49,016
	Scrap	89,96,495	40,27,421
	<b>Variation of Stock</b>	<b>972,54,501</b>	<b>(113,02,767)</b>

**NOTE 22: EMPLOYEE BENEFIT EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
	<b>Salary and Wages</b>		
1	Director's Salary	96,00,000	96,00,000
2	Contribution to Provident Fund and other funds	2,82,016	3,42,881
3	Salaries, Wages and Other Benefits	550,41,571	465,74,253
	<b>TOTAL .....</b>	<b>649,23,587</b>	<b>565,17,134</b>



**NOTE 23: FINANCE COST**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
1	Interest on Term Loan	29,73,328	16,37,592
2	Interest on Cash Credit	233,66,568	226,27,576
3	Interest on Vehicle Loan	18,60,831	19,16,452
4	Other Interest	9,25,747	12,81,162
5	Bank Charges & Processing Fees	12,65,025	23,71,976
	<b>TOTAL .....</b>	<b>303,91,499</b>	<b>298,34,758</b>

**NOTE 24: DEPRECIATION AND AMORTISATION EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
1	Depreciation on Fixed Assets	139,30,791	123,12,991
2	Preliminary Exps. Written Off	5,64,520	52,770
	<b>TOTAL .....</b>	<b>144,95,311</b>	<b>123,65,761</b>

**NOTE 25: OTHER EXPENSES**

SR. NO.	PARTICULARS	CURRENT YEAR AMOUNT RS.	PREVIOUS YEAR AMOUNT RS.
<b>I.</b>	<b>Manufacturing Expense</b>		
1	Power, Fuel & Utilities	805,51,787	889,83,278
2	Coal & Gas Consumption	409,00,908	460,71,252
3	Stores & Spares Consumed	343,24,895	57,69,397
4	<b>REPAIRS &amp; MAINTENANCE:</b>		
	-Plant & Machinery	52,73,736	24,500
	-Others	1,70,806	10,17,864
		54,44,541	10,42,364
5	<b>Other Manufacturing Expenses</b>	-	-
		1612,22,131	1418,66,291
<b>II.</b>	<b>ADMINISTRATIVE, SELLING AND OTHER EXPENSES</b>		
1	Rent, Rates & Taxes	7,91,741	1,67,822
2	Audit Fees	90,000	90,000
3	Legal & professional fees	16,39,100	15,04,500
4	Fuel and Conveyance Expenses		
	-Travelling Expenses	-	55,933
5	Stationery & Printing Expense	1,72,177	1,74,151
6	Telephone, Mobile & Internet Expense	80,358	1,03,951
7	Post, Telegram & Courier Expense	1,02,470	1,16,520
8	Insurance Expenses	8,97,966	10,00,000
9	Corporate Social responsibility Expenses		
10	Late payment on Over Due		
11	<b>Selling &amp; Distribution Expenses</b>		
	-Royalty Expense (License fees)	415,05,395	424,80,456
	-Outward Freight Charges (Including Diesel of Trucks)	653,50,678	590,32,517
	-Discount/Rebate / Commission	36,014	35,504
12	<b>Other Expenses</b>	68,69,790	14,28,595
		1175,35,689	1068,62,611
	<b>TOTAL .....</b>	<b>2787,57,820</b>	<b>2487,28,902</b>



**Note 26: ADDITIONAL INFORMATION****1. Earnings Per Share:**

The earnings per share as per AS-20 "Earning Per Share" has been computed on the basis of net profit after tax divided by the weighted average number of shares outstanding during the period.

Particulars	For the period ended	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Net Profit After Tax for the period (A)	458,28,156	2,51,78,324
Total No. of Weighted Average Shares	1,22,00,000	1,22,00,000
Basic and Diluted Earnings per Share (C) (A/B)	3.76	2.06

**2. 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:

**A. List of Related Parties****Key Management Personnel**

- i. Varun M. Jain
- ii. Varuna V. Jain

**Relatives of Key Management Personnel**

- i. VMS Industries Ltd. ( Entity in which Appointed director interested)
- ii. VMS TMT Pvt. Ltd. ( Entity in which Appointed director interested)
- iii. M/s Yohaam Enterprises ( Entity in which Appointed director interested)

**B. Transaction with Related Parties**

Nature of Transaction	Name of the Party	2020-21	2019-20
<b>Loans Taken</b>	VMS Industries Ltd.	9,25,00,000	
	VMS TMT Pvt. Ltd.	-	-
<b>Loans Repaid</b>	VMS Industries Ltd.	9,25,00,000	-
	VMS TMT Pvt. Ltd.	-	4,70,00,000
<b>Loan Given</b>	VMS Industries Ltd.	4,56,00,000	36,59,37,267
	VMS TMT Pvt. Ltd.	8,40,00,000	
<b>Loan Received Back</b>	VMS Industries Ltd.	4,56,00,000	36,59,37,267
	VMS TMT Pvt. Ltd.	8,40,000	
<b>Interest Received</b>	VMS Industries Ltd.	2,01,427	1,07,15,373
<b>Director Remuneration (including Bonus)</b>	Mr. Varun Jain	48,00,000	48,00,000
	Mrs. Varuna Jain	48,00,000	48,00,000
<b>Rent Paid (Net of GST)</b>	VMS Industries Ltd.	60,000	60,000
<b>Repair &amp; Maintenance Expense (Parts)</b>	VMS Industries Ltd.	62,374	-
	VMS TMT Pvt. Ltd.	99,401	-
<b>Purchase of Goods(Net)</b>	VMS Industries Ltd.	9,26,118	2,10,09,007
	VMS TMT Pvt. Ltd.	3,33,78,162	37,93,26,546
	M/s Yohaam Enterprises	4,44,43,661	8,67,42,211
<b>Purchase of Capital Goods</b>	VMS Industries Ltd.	-	9,58,645
<b>Sales of Goods (Net of GST)</b>	VMS Industries Ltd.	-	2,55,000

**3. 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. Minimum Alternative Tax (MAT) is recognized as an asset only when, and to the extent there is convincing evidence that the company will pay normal income tax during the specific period. If the MAT credit becomes eligible to be recognized as an asset in accordance the recommendations contained in the Guidance note issued by ICAI, the said is created by the way of credit to the statement of Profit & Loss & shown as MAT credit entitlement.
<b>4. Provisions, Contingent Liabilities and Contingent Assets</b>	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.
<b>5. Prior Period Items:</b>	Prior period expenses have been adjusted to the carrying amount of surplus of Statement of Profit & Loss.
<b>6</b>	The company has yet to initiate the process of obtaining confirmations from suppliers as to their status as Micro, Small or Medium Enterprise registered under the applicable category as per the provisions of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006). In absence of the relevant information as to the status of the suppliers, the balance due to Micro, Small and Medium Enterprises and interest due to them if any as per the provision of the Micro, Small and Medium Enterprises (Development) Act, 2006 (MSMED Act, 2006) could not be disclosed or provided.
<b>7</b>	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.
<b>8</b>	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.
<b>9</b>	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. Paise are rounded up to the nearest of rupee. The negative figures have been shown in brackets.
<b>SIGNATURES TO NOTES '1' TO '26'</b>	

FOR, ADITYA ULTRA STEEL LIMITED

FOR, S.N. SHAH & ASSOCIATES,

CHARTERED ACCOUNTANTS  
FIRM REG. NO.: 109782W



MANAGING DIRECTOR  
DIN: 03502561  
VARUN JAIN



WHOLE TIME DIRECTOR  
DIN:07547363  
VARUNA JAIN


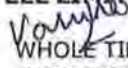

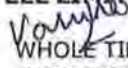

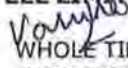


(PRIYAM S. SHAH)  
PARTNER

PLACE : AHMEDABAD  
DATE : 22-10-2021

**ADITYA ULTRA STEEL LIMITED**  
**ASSESSMENT YEAR 2021-22**  
**CERTIFICATE FROM THE ASSESSEE**

1	We certify that there is no change in the nature of business carried on by the company as compared to immediately preceding financial year.
2	We certify that there is no change in the method of accounting employed by the company during the year as compared to immediately preceding financial year.
3	We certify that there is no change in the method of valuation of stock during the year as compared to immediately preceding financial year. This is to certify that the stock as at 31/03/2021 has been physically verified & valued by us and we did not find any material discrepancy in quantity as per the physical verification as compared to the book record.
4	We certify that no personal expenses of directors have been debited to profit & loss account for the year.
5	We certify that all expenses in excess of Rs.10000/- or Rs. 35,000 (in case of Transportation) as the case may be, had been paid by the company pursuant to section 40A(3) of the Income Tax Act 1961 by account payee cheque or account payee bank draft.
6	We certify that the company has not purchased any second hand machinery and additional depreciation has been claimed only in respect of new machineries purchased and put to use during the year. All the assets on which depreciation has been claimed during the year have been actually put to use by the company during the year.
7	We certify that no interest is paid or payable during the year to any Micro, Small or Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006
8	We certify that no deposits in excess of amount specified in Section 269SS of the Income-tax Act are taken or accepted otherwise than by account payee cheque or account payee bank draft.
9	We certify that no deposits in excess of amount specified in Section 269T have been repaid otherwise than by account payee cheque or account payee bank draft.
10	This is to certify that the company has neither incurred nor debited to profit & loss account any expenditure during the year which are disallowable as per the provisions of section 14A of the Income Tax Act, 1961 read with rule 8D of the Income Tax Rules, 1962.
11	We Certify that all the items falling within the scope of section 28 if any, are credited in Profit & Loss A/c.
12	We certify that no contingent liability provided in the books of accounts as well as no pending litigation which impact company's financial Position.

	<p>13 This is to certify that interest payable under section 201(1A) and 206C(7) in respect of delay in payment of TDS/TCS wherever applicable has been paid by the management of company.</p> <p>14 We certify that in respect of payment to transporters where TDS provisions under section 194C are applicable, we have deducted TDS at the prescribed rate as per the provisions of section 194C. We also certify that in case of transporters where TDS has not been deducted we have obtained undertaking from the respective transporters that they did not own more than ten vehicles during the previous year 2020-21 relevant to A.Y. 2021-22.</p> <p>15 We certify that in computation of Income chargeable under the head "Profits and Gains of Business or Profession", the management of company has complied with all the applicable "Income Computation and Disclosure Standards" (ICDS) notified under section 145(2) of the Income Tax Act, 1961.</p> <p>16 We Certify that VAT, Excise, Service Tax and Duty drawback expense as well as receivable provided by us are True and Correct.</p> <p>17 We further certify that we have prepared and verified the correctness of the statement of particulars (Form No. 3CD).</p> <p>18 We certify that as per clause no 21(d), of statements of particular (Form no 3CD), We are informed that all the payments above Rs.20,000/- Or Rs. 35,000/- as the case may be, are made through Account payee Cheques or drafts. However, it is not possible for us to verify whether the payment in excess of Rs. 10,000/- or Rs. 35,000/- as the case may be, have been made otherwise by Account payee cheque or by the Account Payee Bank drafts, as the necessary evidences are not in the possession of the assessee.</p> <p>19 We certify that as per clause no 31, of statements of particular (Form no 3CD), we are informed by the assessee that all loans exceeding the limits mentioned in section 269SS and section 269T of the Income Tax Act 1961 are accepted/repaid by account payee cheque/draft or by RTGS. However, it is not possible for us to verify whether the payment in, have been made otherwise by Account payee cheque or by the Account Payee Bank drafts, as the necessary evidences are not in the possession of the assessee.</p>		
	<p><b>FOR AND ON BEHALF OF THE BOARD</b>  <b>ADITYA ULTRA STEEL LIMITED</b></p> <table border="0"> <tr> <td data-bbox="351 1388 558 1545">   MANAGING  DIRECTOR  DIN: 03502561  VARUN JAIN </td> <td data-bbox="558 1388 766 1545">   WHOLE TIME  DIRECTOR  DIN:07547363  VARUNA JAIN </td> </tr> </table>	 MANAGING DIRECTOR DIN: 03502561 VARUN JAIN	 WHOLE TIME DIRECTOR DIN:07547363 VARUNA JAIN
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