

**SUKUMARA MENON, VENUGOPALAN & SATHI**

**CHARTERED ACCOUNTANTS**

**IX/539/10, Second Floor, Sreelakshmi Narayana Palace,  
Casino Complex, T.B.Road, Kokkalai, Thrissur-21**

**Phone: 0487 -2426299**

**PARTNERS**

Venugopalan C.  
SathiA.Menon  
NivedithaVenugopal

**INDEPENDENT AUDITOR'S REPORT**

**To,**

THE MEMBERS OF NEWMALAYALAM STEEL PRIVATE LIMITED ,  
CIN - U27209KL2017PTC048762  
MALAPALLIPURAM, THRISSUR -DT

**Report on the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **NEWMALAYALAM STEEL PRIVATE LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, the Statement of Profit and Loss ,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.

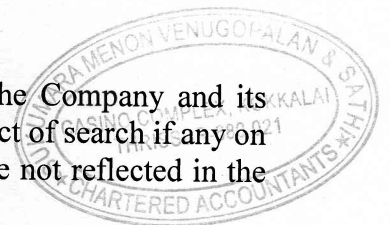
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and Profit for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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.

**Emphasis matter**

The Income tax department has conducted a search in the premises of the Company and its directors on 04/08/2023 and 05/08/2023 and seized some records. The impact of search if any on the financial statements of the year is not quantifiable as on date and hence not reflected in the financial statements. Our opinion is not qualified in respect of this matter.



## **Key audit matters**

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

## **Responsibility of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibility 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 standalone 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.

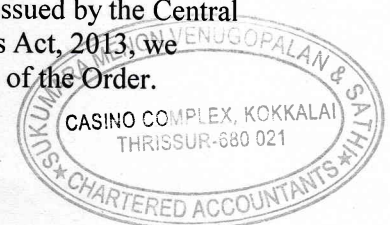
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Materiality is the magnitude of misstatements in the financial statements that, individually or' in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (11)to evaluate the effect of any Identified misstatements In the financial statements.

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

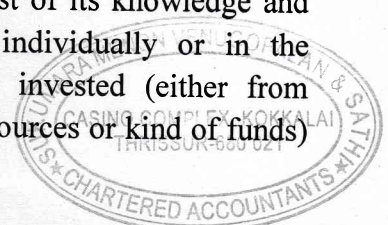
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2020 (lithe Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.



1. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure II". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
2. As required by section 143(3) of the Companies Act, 2013, 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 purpose of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet and Statement of Profit and Loss, dealt with by this report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and statement of Profit and Loss comply with the Accounting Standards specified under Section 133 of the Act to the extent applicable.
  - e) On the basis of written representation received from the directors, as on 31st March, 2023, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2023 from being appointed as a director in terms of section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditors Report in accordance with rule 11 of the companies (Audit and Auditors) Rule , 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 statements as referred to in Note no.B (2) in notes forming parts of accounts.
    - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no amount 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.

- a. The company has not paid interim or final dividend during the year.

**UDIN FOR THIS DOCUMENT IS 23202484BGUJXN3494**

**For M/s SUKUMARA MENON, VENUGOPALAN & SATHI  
CHARTERED ACCOUNTANTS  
Firm Registration No:0107105**

**Thrissur  
07.09.2023**



**VENUGOPALAN C., M.Com, FCA  
(M.No.202484)  
PARTNER**

### **ANNEXURE- I- TO AUDITORS REPORT**

The Annexure 1 referred to in our report to the members of **NEWMALAYALAM STEEL PRIVATE LIMITED** for the year ended on March 31,2023. We report that:

1.
  - a) The company's record of fixed assets has been properly maintained to show full particulars including quantitative details and situation of its fixed asset.
  - b) We are informed that the fixed assets of the company have physically verified by the management at reasonable intervals and no material discrepancies have been noticed between the books and records and physical inventory.
  - c) As per the information and explanations provided to us, title deeds of immovable properties are in the name of Mr. V.D Varghese and Mrs .Molly Varghese, from whom the Company has taken the land on lease and constructed the building. In respect of property purchased during the year 2018-19, the title deeds are in the name of the company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of use assets] and intangible assets during the year.
  - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition). Act, 1988 (as amended in 2016) and rules made there under.
2. We are informed that the physical verification of inventory has been conducted at reasonable intervals by management and that no material discrepancies were noticed on such verification.
3. To the best of our knowledge and according to information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
4. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
5. In our opinion and according to information given to us, the company has not made any investment or granted any loans or given any security or given any guarantee for which the provisions of sections 185 and 186 of the Companies Act, 2013 are applicable.



6. The company has not accepted public deposit. The directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of Companies Act and rules framed there under, where applicable, have been complied with. We have been informed that no order has been passed by the Company Law board or National Company Law Tribunal or Reserve Bank of India or any court or other Tribunal in this regard.
7. Maintenance of cost records has been prescribed by the Central Government under sub section (1) of section 148 the Companies Act, for this type of Companies and hence the company is maintaining cost records as prescribed.
8. According to the records of the Company and informations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, excise duty, cess, goods and service tax and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31<sup>st</sup> March, 2023.
9. According to the records of the company examined by us and the information, explanation given to us the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date.
10. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
11. The company has not raised any money by way of initial public offer or further public offer (including debt instruments). The company has not availed any term loans during the year.
12. During the course of our examination of the books and record of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the management.







24. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 'one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

25. According to the information and explanation given to us, the Company has complied with sub-section (5) of section 135 of the Companies Act.

**For M/s SUKUMARA MENON, VENUGOPALAN & SATHI  
CHARTERED ACCOUNTANTS**

**Firm Registration No:010710S**



**VENUGOPALANC.,M.Com,FCA**

**(M.No.202484)**

**PARTNER**

**Thrissur**

**07.09.2023**



**Annexure - II to the Auditors' Report For NEWMALAYALAM STEEL  
PRIVATE LIMITED**

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

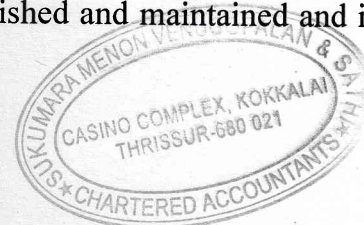
We have audited the internal financial controls over financial reporting of **NEWMALAYALAM STEEL PRIVATE LIMITED**, ("the Company") as of 31<sup>st</sup> March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 operating effectively as at 31<sup>st</sup> March 2023, 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 M/s. SukumaraMenon, Venugopalan&Sathi  
Chartered Accountants  
Firm Registration No: 010710S**

  
**VENUGOPALAN C., M.Com, FCA**

**(M.No.202484)**

**Thrissur**

**07.09.2023**

**PARTNER**



**NEWMALAYALAM STEEL PRIVATE LIMITED**

CIN - U27209KL2017PTC048762

MALAPALLIPURAM P.O, THRISSUR - 680732

**BALANCE SHEET AS AT 31ST MARCH 2023**

( in Indian Rupees)

( Amount in Lakhs)

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share capital	1	1264.76	1264.76
(b) Reserves and surplus	2	2355.52	1755.03
(c) Money Received Against Share Warrants			
<b>2 Share Application Money Pending Allotment</b>			
<b>3 Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	1209.22	1706.48
(b) Deferred Tax Liabilities (Net)	4	131.36	115.14
(c) Other Long Term Liabilities			
(d) Long-Term Provisions			
<b>4 Current Liabilities</b>			
(a) Short-Term Borrowings	5	1606.01	3213.58
(b) Trade Payables	6	1777.67	645.99
(c) Other Current Liabilities	7	201.93	86.63
(d) Short-Term Provisions	8	188.37	214.06
<b>TOTAL</b>		<b>8734.83</b>	<b>9001.66</b>
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
<b>1 (a) Property, Plant and Equipment and Intangible assets</b>			
(i) Property, Plant and Equipment	9	2152.96	2063.75
(ii) Intangible assets	9	.03	.03
(iii) Capital work-in-progress	9	29.71	214.06
(iv) Intangible assets under development			
(b) Non-Current Investments			
(c) Long-Term Loans and Advances	10	40.75	30.31



<b>2</b>	<b>Current Assets</b>			
	(a) Current Investments			
	(b) Inventories	<b>11</b>	3664.28	3322.15
	(c) Trade Receivables	<b>12</b>	1066.37	1827.81
	(d) Cash and Cash Equivalents	<b>13</b>	679.85	10.58
	(e) Short-Term Loans and Advances	<b>14</b>	530.00	1053.79
	(f) Other Current Assets	<b>15</b>	570.89	479.19
	<b>TOTAL</b>		<b>8734.83</b>	<b>9001.66</b>
See accompanying notes forming part of the financial statements				

As per our report of even date attached

For **M/s Sukumara Menon, Venugopalan & Sathi**

Chartered Accountants

**Venugopalan C., M.Com., F.C.A.(M.No.202484)**

Partner

For and on behalf of the Board of Directors

**Mahendra Kumar Jain**

(Chairman)

(DIN 01689078)

**V.D.Varghese**

(Managing Director)

(DIN 07763636)

**CS Shravan Kannan Dev (M No.63168)**

(Company Secretary)

Thrissur

07.09.2023

Malapallipuram

07.09.2023



**NEWMALAYALAM STEEL PRIVATE LIMITED**  
**CIN - U27209KL2017PTC048762**  
**MALAPALLIPURAM P.O, THRISSUR - 680732**  
**PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH 2023**

( ` in Indian Rupees) ( Amount in Lakhs)

Particulars	Note No.	As at 31.03.2023	As at 31.03.2022
I. Revenue from operations	16	35479.84	31791.72
II. Other income	17	515.87	569.20
III. <b>Total Income (I + II)</b>		<b>35995.71</b>	<b>32360.91</b>
IV. Expenses:			
Cost of materials consumed	18	34000.59	30207.70
Changes in inventories of Stock in Trade	19	12.82	466.31
Change in Inventories of finished Goods	20	112.32	-197.22
Employee benefits expense	21	444.19	352.84
Finance costs	22	273.48	266.37
Depreciation and amortization expense	9	145.37	131.80
Other expenses	23	201.88	228.64
Total expenses		<b>35190.63</b>	<b>31456.44</b>
V. <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>		805.07	904.47
VI. Exceptional items		-	-
VII. <b>Profit before extraordinary items and tax (V + VI)</b>		805.07	904.47
VIII. Extraordinary Items		-	-
IX. <b>Profit before tax (VII- VIII)</b>		805.07	904.47
X Tax expense:			
(1) Current tax		188.37	214.06
(2) Deferred tax		16.22	17.35
(3) Short/Excess of Income Tax of Previous Years			
XI <b>Profit /(Loss) for the period from continuing operations (VII-VIII)</b>		600.49	673.06



Profit/(loss) from discontinuing operations	-	-
Tax expense of discontinuing operations		
<b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>	-	-
<b>Profit /(Loss) for the period (XI + XIV)</b>	<b>600.49</b>	<b>673.06</b>
Earnings per equity share:		
(1) Basic (in Indian Rupees)	474.78	532.17
(2) Diluted (in Indian Rupees)	474.78	532.17

As per our report of even date attached

For M/s Sukumara Menon, Venugopalan & Sathi  
Chartered Accountants

Venugopalan C., M.Com., F.C.A. (M.No.202484)  
Partner

Thrissur  
07.09.2023

For and on behalf of the Board of Directors

Mahendra Kumar Jain  
(Chairman)  
(DIN 01689078)

V.D.Varghese  
(Managing Director)  
(DIN 07763636)

CS Shraavan Kannan Dev (M No.63168)  
(Company Secretary)

Malapallipuram  
07.09.2023





**NEWMALAYALAM STEEL PRIVATE LIMITED**  
**CIN - U27209KL2017PTC048762**  
**MALAPALLIPURAM P.O,THRISSUR - 680732**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023 (Rs. in Lakhs)**

Cash Flow Statement (Indirect Method)	As at March 31, 2023 (Rupees)	As at March 31, 2022 (Rupees)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net surplus/(deficit) for the year (before tax)	805.07	904.47
Adjustments for:		
Depreciation & Amortization	145.37	131.80
Interest & Finance Charges	273.48	266.37
less : Profit on sale of asset	-.17	
Add : Loss on sale of asset	1.33	
<b>Operating Profit before Working Capital Changes</b>	<b>1225.07</b>	<b>1302.64</b>
Adjustments for:		
Decrease/(Increase) in Sundry Debtors	761.44	-521.19
Decrease/(Increase) in Loans & Advances	523.80	538.25
Decrease/(Increase) in Inventories	-342.13	-1997.86
Decrease/(Increase) in Other Current Assets	-91.71	-255.65
(Decrease)/Increase in Current Liabilities	115.30	-88.18
(Decrease)/Increase in Sundry Creditors	1131.69	627.15
<b>Cash generated from operations</b>	<b>3323.46</b>	<b>-394.83</b>
Income Tax Paid	-214.06	-233.42
<b>Net Cash flow from Operating activities</b>	<b>3109.41</b>	<b>-628.25</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets & Work -In -Progress	-51.39	-378.46
Increase in Long term loans and Advances	-10.44	.76
(Increase)/Decrease in Other Non Current Assets	-	-
<b>Net Cash used in Investing activities</b>	<b>-61.82</b>	<b>-377.70</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	-	-
Interest paid	-273.48	-266.37
Proceeds from Long Term Borrowings	1016.95	1710.47
Loans repaid during the year	-1514.21	-1761.18
Proceeds from Short Term Borrowings	-1607.57	1330.15
<b>Net Cash used in financing activities</b>	<b>-2378.31</b>	<b>1013.07</b>
<b>Net increase/(decrease) in cash &amp; Cash Equivalents</b>	<b>669.27</b>	<b>7.12</b>
<b>Cash and Cash equivalents as at Opening of year</b>	<b>10.58</b>	<b>3.46</b>
<b>Cash and Cash equivalents as at Closing of year</b>	<b>679.85</b>	<b>10.58</b>

In terms of our report attached

For and on behalf of the Board of Directors

*Mahendra Kumar Jain*

Mahendra Kumar Jain (Chairman)  
(DIN 01689078)

V.D.Varghese (Managing Director)  
(DIN 07763636)

CS Shravan Kannan Dev (M.No.63168)  
(Company Secretary)

Malapallipuram  
07.09.2023

For M/s Sukumara Menon, Venugopalan & Sathi  
Chartered Accountants

Venugopalan C., M.Com., F.C.A. (M.No.202484)  
Partner



**NOTE 1****Share Capital (Rs. in Lakhs)**

Particulars	As at 31.03.23	As at
<b>Authorised</b>		
130000 Equity shares of Rs.1000 each	1300.00	1300.00
<b>Issued, Subscribed &amp; fully Paid up</b>		
126476 Equity shares of Rs.1000 each	1264.76	1264.76
<b>Total</b>	<b>1264.76</b>	<b>1264.76</b>

**NOTE 1 A**

Particulars	Equity Shares	
	As at 31.03.23	As at
Shares outstanding at the beginning of the year	126476	126476
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	126476	126476

**NOTE 1 B**

Name of the Shareholders holding more than 5% of aggregate shares in the company.

Name of Shareholder	As at 31.03.23		As at 31.03.22	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
V.D VARGHESE	63238	50	63238	50
DIVYA KUMAR JAIN	36619	29	36619	29
ANKUR JAIN	21295	17	21295	17
MAHENDRA KUMAR JAIN	5324	4	5324	4

**Shares held by promoters**

Promoter name (as defined in the Companies Act, 2013)	As at 31.03.23			As at 31.03.22		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
V.D VARGHESE	63238	50	-	63238	50	-
DIVYA KUMAR JAIN	36619	29	-	36619	29	-
ANKUR JAIN	21295	17	-	21295	17	-
MAHENDRA KUMAR JAIN	5324	4	-	5324	4	-

**NOTE 2****Reserves & Surplus (Rs. in Lakhs)**

Particulars	As at 31.03.23	As at
<b>a. Statutory Reserve</b>		
Opening Balance		
(+) Current Year Transfer	.00	.00
Closing Balance	.00	.00
<b>b. Surplus</b>		
Opening balance	1755.03	1081.97
(+) Net Profit/(Net Loss) For the current year	600.49	673.06
(-) Proposed Dividends		
(-) Transfer to Reserves		
Closing Balance	2355.52	1755.03
<b>Total</b>	<b>2355.52</b>	<b>1755.03</b>



**NOTE 3****Long Term Borrowings****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>(A) Secured</b>		
Kotak Mahindra Eicher loan	.00	1.98
HDFC Bank Car loan	29.49	41.29
SBI GECL Loan 2	156.15	170.04
SBI GECL Loan	56.85	169.61
SBI Term Loans	NIL	980.58
SBI Solar Loan	91.78	42.97
SBI New term loan (Forex)	574.95	NIL
<b>(B) Unsecured loan from directors</b>		
Molly Varghese	200.00	200.00
Suman Jain	100.00	100.00
<b>Total</b>	<b>1209.22</b>	<b>1706.48</b>

**Primary Security**

1. GECL Loans - Hypothecation charge over Stocks and Receivables
2. SBI Solar Loan - Hypothecation of Solar Panel and related equipments
3. Vehicle Loans - Hypothecation of Eicher Truck & Car
4. SBI Term Loans -

(I) Hypothecation of Plant &amp; Machinery

(II) Equitable Mortgage over following immovable properties

- a. 107.85 ares of land in the name of Sri Varghese V D S/o Davis V V in Sy No 262/3-30 at Pallipuram Village, Kodungallur Taluk.
- b. 87.61 ares of land in the name of Smt Molly Varghese W/o Varghese V D in Sy No 262/3-29 at Pallipuram Village, Kodungallur Taluk.

**Collateral Security**

1. SBI solar Loan and GECL Loans -

Equitable Mortgage over following immovable properties

- a. 19.33 Ares of land in the name of Smt Molly Varghese W/o Varghese V D, in SY no 155/2 at Perambra Village in Chalakudy Taluk
- b. 28.34 Ares of land in the name of M/s Newmalayalam Steel P Ltd in Sy no 388/1-2p, 388/4-3p, 388/5-3p, 388/3-3p, 388/3-2p, 388/4-2p, 388/5-2p, situated at Poyya Village, Kodungallur Taluk.
- c. 56.33 Ares of land in the name of Shri Varghese V D S/o Davis V V in Sy No 571/1 situated at Poyya Village, Kodungallur Taluk

All SBI Credit facilities are secured by Personal Guarantee of Shri. V D Varghese, Shri. Cyriac Varghese, Smt. Molly Varghese, Shri. Mahendra Kumar Jain, Shri. Divya Kumar Jain, Smt Suman Jain.

**NOTE 4****Deferred tax liabilities(Net)****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>Deferred tax liabilities</b>		
Depreciation	131.36	115.14
Others	.00	.00
<b>Deferred tax asset</b>		
Employee benefits / expenses allowable on payment basis	.00	.00
Provision for doubtful debts	.00	.00
Unabsorbed depreciation and business losses	.00	.00
Others	.00	.00
	<b>131.36</b>	<b>115.14</b>



**NOTE 5****Short Term Borrowings****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
SBI Cash Credit Account	105.77	2004.60
SBI Adhoc Loan	NIL	705.04
Buyers Credit	960.22	NIL
Current maturity of long term borrowings (As per Note 5A)	540.02	503.95
<b>Total</b>	<b>1606.01</b>	<b>3213.58</b>

**NOTE 5 A****Current maturity of long term borrowings****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Kotak Mahindra Vehicle loan	1.98	5.27
SBI CCECL Loan	NIL	10.89
SBI Solar	27.97	22.50
HDFC Car loan	11.80	8.71
SBI Term Loans	NIL	344.37
SBI Term Loans - Forex	372.00	NIL
SBI GECL Loan	112.20	112.20
SBI GECL Loan 2	14.08	NIL
<b>Total</b>	<b>540.02</b>	<b>503.95</b>

**Primary Security**

1. Cash Credit and GECL Loans - Hypothecation charge over Stocks and Receivables
2. SBI Solar Loan - Hypothecation of Solar Panel and related equipments
3. Vehicle Loans - Hypothecation of Eicher Truck & Car
4. SBI Term Loans -

(I) Hypothecation of Plant &amp; Machinery

(II) Equitable Mortgage over following immovable properties

- a. 107.85 ares of land in the name of Sri Varghese V D S/o Davis V V in Sy No 262/3-30 at Pallipuram Village, Kodungallur Taluk.
- b. 87.61 ares of land in the name of Smt Molly Varghese W/o Varghese V D in Sy No 262/3-29 at Pallipuram Village, Kodungallur Taluk.

**Collateral Security**

1. Cash Credit, SBI solar Loan and GECL Loans -

Equitable Mortgage over following immovable properties

- a. 19.33 Ares of land in the name of Smt Molly Varghese W/o Varghese V D, in SY no 155/2 at Perambra Village in Chalakudy Taluk
- b. 28.34 Ares of land in the name of M/s Newmalayalam Steel P Ltd in Sy no 388/1-2p, 388/4-3p, 388/5-3p, 388/3-3p, 388/3-2p, 388/4-2p, 388/5-2p, situated at Poyya Village, Kodungallur Taluk.
- c. 56.33 Ares of land in the name of Shri Varghese V D S/o Davis V V in Sy No 571/1 situated at Poyya Village, Kodungalloor Taluk

All SBI Credit facilities are secured by Personal Guarantee of Shri. V D Varghese, Shri. Cyriac Varghese, Smt. Molly Varghese, Shri. Mahendra Kumar Jain, Shri. Divya Kumar Jain, Smt Suman Jain.

**NOTE 6****Trade Payables****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>Undisputed outstanding for a period less than 1 year</b>		
<b>a) Due to Micro Small Medium Enterprises</b>		
(i) For purchases		
(ii) For expenses	13.88	11.61
<b>b) Due to other than Micro Small Medium Enterprises</b>		
(i) For purchases	1758.92	559.83
(ii) For expenses	4.87	74.55
<b>Total</b>	<b>1777.67</b>	<b>645.99</b>





**NOTE 11****Inventories**

(Valued at Lower of cost or net realisable value)

(Rs. in Lakhs)

Particulars	As at 31.03.23	As at 31.03.22
Raw Materials	2551.90	2138.46
Finished Goods	960.59	1072.91
Stock in trade	42.91	55.73
Stores & Spares	59.33	32.70
Consumables	49.55	22.35
<b>Total</b>	<b>3664.28</b>	<b>3322.15</b>

Inventories are hypothicated with SBI against Working Capital Limits

**NOTE 12****Trade Receivables**

(Rs. in Lakhs)

Particulars	As at 31.03.23	As at 31.03.22
<b>Outstanding for a period less than 6 months</b> Undisputed Trade Receivables considered good	1025.13	1788.00
<b>Outstanding for a period for more than 6 months upto 1 year</b> Undisputed Trade Receivables considered good	.35	10.79
<b>Outstanding for a period for more than 1 year upto 2 year</b> Undisputed Trade Receivables considered good Disputed Trade Receivables considered doubtful	11.87	
<b>Outstanding for a period for more than 2 year upto 3 year</b> Disputed Trade Receivables considered doubtful		4.09
<b>Outstanding for a period for more than 3 year</b> Disputed Trade Receivables considered doubtful	29.02	24.93
<b>Grand Total</b>	<b>1066.37</b>	<b>1827.81</b>

Trade Receivables are hypothicated with SBI against Working Capital Limits

**NOTE 13****Cash and Cash Equivalents**

(Rs. in Lakhs)

Particulars	As at 31.03.23	As at 31.03.22
<b>A. Cash and Cash Equivalents</b>		
<b>1. Balances with banks</b>		
a. State Bank of India Cash Credit Account	NIL	.47
b. Axis bank OD	2.36	NIL
<b>2. Cash on hand</b>		
a. Cash on Hand	1.91	2.41
b. GST Cash ledger balance	NIL	NIL
<b>B. Other Bank Balances</b>		
a. State Bank of India Bank Guarantee Deposits*	8.07	7.70
SBI FD	396.54	NIL
Axis bank FD	270.97	NIL
	<b>679.85</b>	<b>10.58</b>

\* Bank Guarantee deposits includes interest elements of Rs. 0.36 Lakhs

\* Bank Guarantee deposits amounting to Rs.7.36 Lakhs was on account of Contingent liability (Refer Point 3 of Notes forming part of accounts)



**NOTE 14****Short-Term Loans and Advances****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>Advances</b>		
a) For purchase of Raw Material	468.10	1020.91
b) Employee Advance	1.30	19.47
c) For Expenses	60.59	13.41
<b>Total</b>	<b>530.00</b>	<b>1053.79</b>

**NOTE 15****Other Current Assets****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
GST credit ledger	358.59	251.11
Advance License Fee	1.38	1.88
Prepaid insurance	1.51	2.19
Advertisement prepaid	5.99	Nil
Income Tax Refundable AY 2019-20	12.06	12.06
KFC Loan refundable	.05	.15
TDS Receivable	24.54	17.06
TCS Receivable	NIL	9.84
Advance Tax	165.00	180.00
CGST 9%	.80	2.34
SGST 9%	.80	2.34
IGST 18%	.15	.21
<b>Total</b>	<b>570.89</b>	<b>479.19</b>



**NOTE 16****Revenue from Operations****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Sales GST	35552.93	31828.91
Add: Price difference	2.07	.12
Less: Discount	62.41	28.98
Less: Sales return	12.75	8.34
<b>Total</b>	<b>35479.84</b>	<b>31791.72</b>

**NOTE 17****Other Income****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Miscellaneous Income	NIL	6.91
Discount Received	442.16	546.68
Dollar Difference	64.24	NIL
Interest Received	8.05	14.37
Profit on sale of fixed asset	.17	NIL
Income tax refund	.07	NIL
Interest Subvention Received	NIL	.30
KSEB Deposit Interest	1.18	.94
<b>Total</b>	<b>515.87</b>	<b>569.20</b>

**NOTE 18****Cost of Materials Consumed & Direct Expenses****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Opening Stock of Raw Material	2138.46	397.84
Purchase of Raw Material & Consumables (Note 18 A)	33917.20	31579.74
Add : Direct Expenses (Note 18 B)	496.82	368.58
Less: Closing stock of Raw material	2551.90	2138.46
<b>Total</b>	<b>34000.59</b>	<b>30207.70</b>

**NOTE 18 A****Purchase of Raw Material & Consumables****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Purchase of Raw Material	33838.48	31444.60
<b>Consumables</b>		
Opening Stock	22.35	
Consumable purchase	105.92	
Less: Closing Stock	49.55	
	78.71	135.13
<b>Total</b>	<b>33917.20</b>	<b>31579.74</b>





**NOTE 18 B****Direct Expenses****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Cleaning and Support Charges	13.40	16.41
Clearing & forwarding charges	12.55	NIL
Transportation and Handling Charge	23.95	8.42
Electricity Charges	175.00	156.08
DGFT Expense	1.97	NIL
Liner charge	1.69	NIL
Import Expense	22.18	NIL
Wages	246.08	187.67
<b>Total</b>	<b>496.82</b>	<b>368.58</b>

**NOTE 19****Changes in inventories of Stock in Trade****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>Inventories at the opening</b>		
Stock in trade	55.73	522.03
<b>Inventories at the end of the year</b>		
Stock in trade	42.91	55.73
<b>Total</b>	<b>12.82</b>	<b>466.31</b>

**NOTE 20****Changes in Inventories of Finished Goods****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
<b>Inventories at the opening</b>		
Finished goods	1072.91	875.68
<b>Inventories at the end of the year</b>		
Finished goods	960.59	1072.91
<b>Total</b>	<b>112.32</b>	<b>-197.22</b>

**NOTE 21****Employee Benefits Expenses****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Salary and Allowances	312.11	306.56
Bonus	23.45	18.18
Gratuity	62.53	NIL
Employees Welfare	26.84	15.52
Employee Insurance	.17	NIL
ESIC	5.79	4.01
P.F	13.32	8.58
<b>Total</b>	<b>444.19</b>	<b>352.84</b>



**NOTE 22****Finance Costs****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Interest on Cash Credit Account	108.24	81.14
Interest on Eicher loan	.49	.92
Interest on KFC Loan	NIL	118.95
Interest on HDFC Car Loan	3.03	.25
Interest on GECL Loan 2	14.00	2.72
Interest on CCECL Loan	NIL	5.50
Interest on GECL Loan	19.50	24.75
Interest on Adhoc Loan	20.53	12.06
Interest for SBI Term Loans	83.57	1.78
Other Interest	19.37	18.29
Interest on Buyers credit	3.43	NIL
Interest of SBI Solar Loan	.70	NIL
Interest for Term Loan Forex	.63	NIL
<b>Total</b>	<b>273.48</b>	<b>266.37</b>

**NOTE 23****Other Expenses****(Rs. in Lakhs)**

Particulars	As at 31.03.23	As at 31.03.22
Audit Fee( Refer note 23 A )	1.95	1.64
Advertisement Charges	28.97	43.15
AMC Charges	.50	1.00
Axis bank expense	3.94	NIL
Bank Charges	11.16	.37
Bad debt written off	NIL	1.44
Building Tax	NIL	.53
Building Repair	.32	1.22
Business promotion expense	.18	NIL
Commission	12.00	11.90
Cost Audit Fee	.55	.89
CSR Expenditure	NIL	8.20
Donation	1.56	1.12
Discount Allowed	19.56	33.98
Factory Land Rent	1.20	1.20
Fees and Charge	2.94	4.55
Filing Fee	.29	.70
GST Expense	.30	NIL
GST Interest	9.93	NIL
House Rent	5.38	6.61
Hoarding Rent	NIL	.64
Insurance	6.16	4.94



Penalty		.01	.01
Internal Audit Fee		.80	.45
Income tax		1.37	4.08
Interest on TDS		.00	NIL
Incentive on sales		3.41	1.77
Loan Processing Fee		6.97	.74
Licence Fees & Taxes		1.92	1.44
Medical Expense		.80	1.97
Electricity Bill		.29	.51
Office Expenses		.94	.76
Petrol and Diesel		13.14	12.43
PF Administration Expense		1.10	.75
Postage and Courier		.59	.59
Printing & Stationery		1.13	2.18
Loss on sale of fixed asset		1.33	NIL
Professional Charge		2.17	1.89
<u>Repairs &amp; Maintanance</u>			
Opening Stock	32.70		
Add:Purchases	65.32		
Less:Closing Stock	59.33		
		38.69	62.66
Solar expense		.07	NIL
Salary to Security Guards		8.43	4.53
Sales tax deposit written off		NIL	.15
Transportation		.94	1.10
Travelling Expenses		3.79	4.00
Vehicle Repairs		5.15	2.54
Water charge		1.96	NIL
<b>Total</b>		<b>201.88</b>	<b>228.64</b>

**NOTE 23 A**

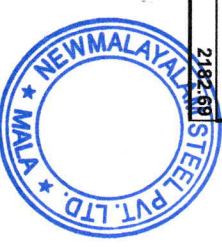
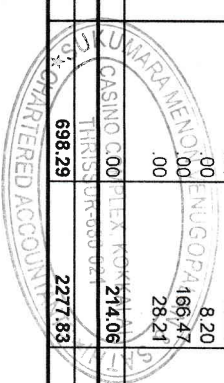
**Audit Fee**

(Rs. in Lakhs)

Particulars	As at 31.03.23	As at 31.03.22
Payments to the auditor as		
a. Statutory Auditor,	1.50	1.20
b. Tax Audit Fee	.25	.20
c. Taxation matter	.10	.24
d. For other services	.04	.00
e. For reimbursement expenses	.06	.00
<b>Total</b>	<b>1.95</b>	<b>1.64</b>



Particulars	GROSS BLOCK						NET BLOCK	
	Property, Plant and Equipment and Intangible assets (Rs. in Lakhs)							
	As at 01.04.2022	Additions	Deletions	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023
<b>A) Tangible Assets</b>								
Land	26.05	.00	.00	26.05	.00	.00	26.05	26.05
Building	807.93	.00	.00	807.93	80.35	25.61	105.97	727.57
Office Building	15.50	.00	.00	15.50	1.44	.49	1.93	14.06
Biometric machine	.09	.00	.00	.09	.07	.01	.08	.02
Temporary shed	.34	.00	.00	.34	.32	.00	.32	.02
Electrical Fittings	20.54	.36	.00	20.90	7.78	1.97	9.74	12.77
Furniture & Fittings	2.08	.00	.00	2.08	.80	.20	1.00	1.28
Car	11.27	.00	.00	11.27	6.22	1.34	7.56	5.05
Air Conditioner	4.09	.00	.00	4.09	2.43	.78	3.20	1.67
Television, CCTV	1.94	.00	.00	1.94	1.53	.31	1.84	.41
Computer	7.44	.46	.00	7.89	7.07	.51	7.59	.36
TV and Fridge	.62	.00	.00	.62	.45	.12	.57	.17
Machinery	728.20	.00	.00	728.20	264.86	46.09	310.96	463.33
New Machinery	745.35	6.50	1.91	749.93	168.35	47.52	215.54	577.00
Etcher	14.66	.00	14.66	.00	8.09	.24	.00	6.57
Etcher 2	19.76	.00	.00	19.76	8.26	2.35	10.61	11.50
Phone	1.84	.00	.00	1.84	1.15	.35	1.50	.69
Server Machine	90.35	.00	.00	90.35	.16	5.72	5.88	90.19
Fire Extinguisher	.24	.00	.00	.24	.20	.03	.23	.04
Wall Fan	.19	.00	.00	.19	.02	.02	.375	.69
Staff Quarters	71.07	.00	.00	71.07	1.49	2.25	6.43	55.20
Benz car	55.20	.60	.00	55.80	.02	6.43	.03	.07
Paper Shredder	.09	.00	.00	.09	.02	.01	.43	.98
Well & tank	18.06	.00	.00	18.06	.98	.72	.72	.14.51
RO Plant	15.49	.00	.00	15.49	.89	.89	.89	.172.11
Solar Plant	172.83	.00	.00	172.83	.00	.00	.00	.27.32
Tile work	28.21	.00	.00	28.21	.00	.00	.00	.2063.75
<b>Total</b>	<b>2624.82</b>	<b>242.49</b>	<b>16.56</b>	<b>2850.74</b>	<b>561.07</b>	<b>145.37</b>	<b>697.78</b>	<b>2152.96</b>
<b>B) Intangible assets</b>								
Software	.54	.00	.00	.54	.51	.00	.51	.03
<b>Total</b>	<b>.54</b>	<b>.00</b>	<b>.00</b>	<b>.54</b>	<b>.51</b>	<b>.00</b>	<b>.51</b>	<b>.03</b>
<b>C) Capital Work in Progress</b>			<b>Transfer to Fixed Asset</b>					
New Building Construction	.00	29.71	.00	29.71	.00	.00	.00	29.71
Well & tank	11.18	6.88	18.06	.00	.00	.00	.00	.00
RO Plant	8.20	.00	8.20	.00	.00	.00	.00	.00
Solar Plant	166.47	6.36	172.83	.00	.00	.00	.00	.00
Tile work	28.21	.00	28.21	.00	.00	.00	.00	.00
<b>Total</b>	<b>214.06</b>	<b>42.95</b>	<b>227.30</b>	<b>29.71</b>	<b>.00</b>	<b>.00</b>	<b>227.83</b>	<b>29.71</b>
<b>Grand total</b>	<b>2839.41</b>	<b>285.44</b>	<b>243.86</b>	<b>2880.99</b>	<b>561.58</b>	<b>145.37</b>	<b>698.29</b>	<b>2182.69</b>





Capital work in progress comprises the cost of tangible and intangible assets that are yet ready for their intended use at the reporting date.

5. Depreciation

Depreciation is provided on Straight Line Method. The useful lives adopted are as prescribed under Schedule II of the Companies Act 2013.

The company has used the following useful life to provide depreciation on its Property, Plant and Equipment.

Asset	Useful Life
Building	30 yrs
Computer	3 yrs
Software	3 yrs
Plant and Machinery	15 yrs
Electrical Equipments	10 yrs
Electrical Fittings	10 yrs
Furniture & Fittings	10yrs
Fire Extinguisher	5yrs
Biometric Machine	5yrs
Phone	5yrs
Tv ,Fridge,CCTV	5yrs
Air Conditioner	5yrs
Car	8yrs
Temporary Shed	3yrs

6. Inventories

Inventories are valued at lower of cost or net realizable value. Cost includes cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location. Cost is determined on "First-In-First-Out" basis.

7. Recognition of income and expenditure

Income and expenditure are recognized on accrual basis. Sales, net of taxes, are accounted for on dispatch of goods to customers.

8. Provisions and Contingencies

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.



Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

9. Contingencies and events occurring after the balance sheet date

The Income tax department has conducted a search in the premises of the Company and its directors on 04/08/2023 and 05/08/2023 and seized some records. The impact of search if any on the financial statements of the year is not quantifiable as on date and hence not reflected in the financial statements.

10. Borrowing Cost

Borrowing costs that are allocated to the acquisition or construction of qualified assets are capitalized as part of cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charges to revenue.

On November 2021, company started installation of a solar project which has been completed during March 2023. Company availed a solar loan from SBI from Feb 2022. Thus Interest till the date of completion Rs 5.86 lacs is capitalized and added to solar plant cost.

11. Prior period and extra ordinary items

There are no prior period or extra ordinary items of material nature during the year.

12. Foreign exchange transaction

Transaction in foreign currency is recorded at the exchange rate prevailing on the date of transaction. During the year, there was no transaction in foreign currency.

13. Investments

Investments are recorded at cost.

14. Retirement benefits

The Company has Provident fund and Employees State Insurance Scheme.

15. Taxation

Income tax expense comprises current tax, deferred tax charge or credit, minimum alternative tax (MAT).

Current tax

Provision for current tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws.



#### Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profit/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax liability or asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each Balance Sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

#### Minimum alternative tax

Minimum alternative tax (MAT) obligation in accordance with the tax laws, which give rise to economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

#### 16. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are calculated after adjusting effects potential equity shares (PES). PES are those shares which will convert into equity shares at a later stage. Profit/loss is divided by the weighted average number of ordinary plus potential equity shares.





**B. Notes forming part of accounts:**

1. Related party disclosure under AS-18:

A) The list of related party as identified by the management are as under

Associates-1 Demac Roofing Pvt Ltd

Associates-2 Jaihind Tubes Pvt Ltd

Associates-3 VytilaSteel Pvt Ltd

Associates 4-Jaihind Steel Pvt Ltd

Following are the Key management personnel of the Company.

V.D.Varghese	Managing Director
Mahendra Kumar Jain	Chairman
Cyriac Varghese	Director
Divya Kumar Jain	Director
Molly Varghese	Director
Suman Jain	Director

B) Transaction with related parties: (Rs. in Lakhs)

<b>Associate: 1 Demac Roofing Pvt Ltd</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Interest Income	-	14.02
Sales	291.94	-

<b>Associate: 2 Jaihind Tubes Pvt Ltd</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Sales	7.51	-

<b>Associate: 3 Vytila Steel Pvt Ltd</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Sales	-	1.5

<b>Associate: 4 Jaihind Steel Pvt Ltd</b>	<b>31.03.2023</b>	<b>31.03.2022</b>
Purchase of Raw Material	20,793.66	14729.23
Purchase of Building Materials	7.92	0.28
Sales	15,664.87	10772.18
Price Difference on Purchases	22.39	-
Price Difference on Sales	1.45	-
Discount Allowed	22.39	29.88
Discount Received	-	87.17



Name	Relation	Rent	Salary	Interest on Loan	Bonus	Commission
V.D Varghese	Managing Director	0.60	60.00	Nil	Nil	Nil
Mahendra Kumar Jain	Chairman	Nil	60.00	Nil	Nil	Nil
Divya Kumar Jain	Director	Nil	60.00	Nil	Nil	Nil
Cyriac Varghese	Director	Nil	19.33	Nil	1.61	Nil
Molly Varghese	Director	0.60	67.02	19.37	0.59	Nil
Ankur Jain	Chairman's Son	Nil	Nil	Nil	Nil	12
<b>TOTAL</b>		<b>1.20</b>	<b>266.35</b>	<b>19.37</b>	<b>2.2</b>	<b>12</b>

2. a. The Company filed suit against the following customers for the recovery of dues and pending as on 31.03.2023 are as follows.

Sl.No	Customer Name	(Rs. in Lakhs)
1	Krishna Pipes and Sheets	18.14
2	Benzer Steels Pvt Ltd	6.79
3	Kanjiramukal Hardwares	4.09

b. The Company has filed suit against Kerala Financial Corporation with respect to the demand of Rs. 11 lakhs as pre-closure charges on the term loans. As per the interim order of High Court of Kerala the above mentioned amount has been transferred to Kerala Financial Corporation as security deposit.

3. Disclosure of Contingent liability

The company received Demand Order amounting to Rs.7.36 Lakhs from SGST Department Alappuzha. The company issued Bank Guarantee in favor of SGST Department Alappuzha (Refer Note 13 of Balance sheet) and filed Appeal against the Demand Order to Joint Commissioner (Appeals) Commercial Taxes, Thrissur. The Subject matter is under consideration of Appellate Authority as on Reporting Date.

4. Some of the balances in Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation.
5. Since the company is not a listed company, disclosure particulars as per rule 5(1) are not applicable to the company. None of the employees drawing remuneration beyond the monetary ceilings prescribed under Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.



6. Consumption of Raw materials and Consumables(Rs. in Lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
Galvanized Steel Coils		
(a) Imported	1498.46	Nil
(b) Indigenous	31926.58	29703.98
Consumables	78.71	135.13
<b>Total</b>	<b>33503.75</b>	<b>29839.11</b>

(Rs.in Lakhs)	<u>Current year</u>		<u>Previous Year</u>
	<u>31.03.2023</u>		<u>31.03.2022</u>
7. Earnings in foreign Exchange	Nil		Nil
8. Expenditure in foreign currency	3,312.94		Nil
9. Number of non-resident shareholders and dividends remitted to them.	Nil		Nil

10. The company has no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the company.

11. The Company has not revalued its Property, Plant and Equipment during the year and Companies (Registered Valuers and Valuation) Rules, 2017 is not applicable during the year.

12. The Company has not granted Loans or Advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person during the year.

13. a. Capital-Work-in Progress (CWIP) aging Schedule:

Particulars	Amount in CWIP for a period of				(Rs. in Lakhs)
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
CWIP					
Projects in progress	29.71	Nil	Nil	Nil	29.71
Projects temporarily suspended	Nil	Nil	Nil	Nil	Nil

b. There is no for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.



14. Analytical Ratios

Sl.No	Ratio	Numerator	Denominator	31.03.2023		31.03.2022		% of Variance	Explanation
				Ratio	Ratio	Ratio	Ratio		
1	Current Ratio	Current Assets	Current Liabilities	1.76	1.64	19%	N.A		
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.37	0.60	24%	N.A		
3	Debt Service Coverage Ratio	EBITDA + Other Non-Cash Items	Interest Payments + Principal Repayments	1.67	0.78	26%		During FY 2021-22, KFC Term loan was fully repaid hence ratio is lower compared to Current year	
4	Return on Equity Ratio	NPAT	Shareholder's Equity	0.17	0.22	31%		Rise in Cost of production due to rise in price of Raw materials in current year. Low Demand & Sales Quantity due to rise in Selling Price in current year. Reserves and surplus are being accumulated each year by net profits.	
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	9.73	13.20	9%	N.A		
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	24.52	20.29	30%		Better collection of trade receivables leads to a higher ratio.	
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	28	96.41	44%		High Credit Purchases in March 2023.	
8	Net capital turnover ratio	Net Sales	Average Working Capital	13.47	13.55	16%	N.A		
9	Net profit ratio	Net Profit (After Tax)	Net Sales	0.02	0.02	17%	N.A		
10	Return on Capital employed	EBIT	Capital Employed	0.22	0.24	20%	N.A		
11	Return on investment	Net profit	Cost of Investment	0.17	0.22	31%		Rise in Cost of production due to rise in price of Raw materials in current year. Low Demand & Sales Quantity due to rise in Selling Price in current year. Reserves and surplus are being accumulated each year by net profits.	



c. There is no Intangible assets under development by the company during the year.

15. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:  
( Amount in Lakhs )

Particulars	As on 31.03.2023	As on 31.03.2022
(a) Principal amount and interest due there on remaining unpaid to any supplier as at the end of the year:		
a. Principal amount due to micro and small enterprises	13.87	11.61
b. Interest due on above	-	-
Total	13.87	11.61
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(c) 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 interest specified under the MSMED Act, 2006	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

16. No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder during the year.

17. The company is not declared as a willful defaulter by any bank or financial institution or other lender during the year.

18. The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

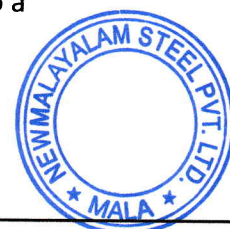
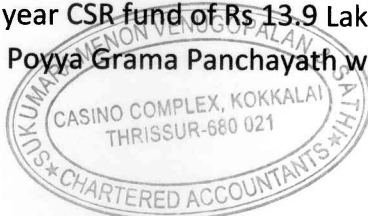
19. No charges or satisfaction are yet to be registered with Registrar of Companies beyond the statutory period during the financial year.



20. The number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable for the company during the year.
21. The company has not entered any Scheme of Arrangements during the year and sections 230 to 237 of the Companies Act, 2013 is not applicable to the company.
22. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries.
23. The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall 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.
24. The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
25. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
26. The Company has not recorded any transaction in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
27. The company is covered under section 135 of the companies act and the following are the disclosures with regard to CSR activities: -

Sl.No	Particulars	(Rs. in Lakhs)
1	Amount required to be spent by the company during the year	13.9
2	Amount of expenditure incurred during the year	-
3	Shortfall of expenditure at the end of the year	13.9
4	Total of previous years shortfall of expenditure	-

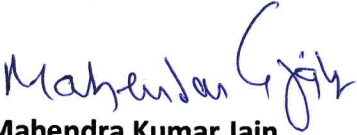
The company has not spent the current year CSR fund of Rs 13.9 Lakhs. On 23/01/2023 company received a request letter from Poyya Grama Panchayath with respect to a



proposal of drinking water facility which will benefit the people around the company. Company has decided to contribute an amount required for the purchase of land for this project. However this year's fund will not be sufficient for that. Hence it has been decided to accumulate few years' funds & Rs 14 Lakhs has been deposited with account no. 00000041871051866 in State Bank of India as on 29.04.2023.

**For and on behalf of the Board of Directors**

**As per our report of even date attached**

  
**Mahendra Kumar Jain**  
(Chairman)  
(DIN 01689078)

**For M/s Sukumara Menon, Venugopalan & Sathi  
Chartered Accountant**



**Venugopalan.C. M.Com., F.C.A (M. No.202484)  
Partner**

  
**V.D.Varghese**  
(Managing Director)  
(DIN 07763636)

  
**CS Shraavan Kannan Dev (M No. 63168)**  
(Company Secretary)

**Malapallipuram**  
**07-09-2023**



**Thrissur**  
**07-09-2023**

