

Board's Report

To

The members of

SHRI KANHA STAINLESS LIMITED

(Formerly known as Shri Kanha Stainless Private Limited)

We are delighted to present on behalf of Board of Directors of the Company, the 9th Annual Report of the Company along with Audited Financial Statements for the financial year ended 31st March, 2024.

➤ KEY FINANCIAL HIGHLIGHTS

The Highlights of financial results of your Company for the financial year 2023-24 and 2022-23 are summarized below:

(Amount in INR of Lacs)

| Particulars | 2023-24 | 2022-23 |
|--|----------------|----------------|
| Revenue from Operations & Other Income | 13099.76 | 13647.05 |
| Total Expenditure | 12197.14 | 13051.08 |
| Profit before Interest, Depreciation, Taxation and Extraordinary Items | 902.62 | 595.97 |
| Depreciation & Amortization | 134.02 | 129.80 |
| Profit before Extraordinary Items, Interest and Tax | 768.6 | 466.17 |
| Finance Costs | 415.95 | 371.59 |
| Profit before Extraordinary items & Tax | 352.65 | 94.57 |
| Add (Less): Extraordinary Items | - | - |
| Profit before Tax | 352.65 | 94.57 |
| Provision for Taxation | | |
| Current tax | 58.86 | 14.78 |
| MAT Credit | (41.13) | (14.78) |
| (-) Deferred tax | 107.95 | 22.55 |

| | | |
|------------------------------|--------|-------|
| | | |
| Profit after Tax | 226.97 | 72.02 |
| Earnings per Share (Basic) | 26.09 | 8.28 |
| Earnings per Share (Diluted) | 26.09 | 8.28 |

➤ **STATE OF COMPANY AFFAIRS (IN LACS)**

During the year under review the company has reported the total income of ₹13099.76 for the current year as compared to ₹ 13647.05 in the previous year. The Net Profit for the year under review amounted to ₹ 226.97 in the current year as compared to Net Profit of ₹ 72.02 in the previous year. Your directors are continuously looking for avenues for future growth of the company.

➤ **TRANSFER TO RESERVES**

During the financial year the company has not transferred any amount to Reserve account.

➤ **SHARE CAPITAL STRUCTURE OF THE COMPANY:**

The Authorized Share Capital of the Company is ₹ 4,00,00,000/- (Rupees Four Crores Only) divided into 4000000 (Forty Lakhs) Equity Shares of 10/- each and Issued, Subscribed and Paid-up capital is ₹ 87,00,000/- (Rupees Eighty Seven Lakhs) divided into 870000 (Eight Lakhs and Seventy Thousand) Equity Shares of ₹ 10/- each.

There has been no change in the Authorized Share Capital, Issued, paid up and Subscribed Capital of the company during the year.

➤ **NUMBER OF MEETING OF BOARD OF DIRECTORS**

During the Financial Year 2023-24, the Company held Six (6) Meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 were adhered to while considering the time gap between two meetings.

| | JAI BHAGWAN AGARWAL (DIN: 01575848) | SHASHANK AGRAWAL (DIN: 03542611) | KAVITA AGARWAL (DIN: 01741333) | AYUSH AGARWAL (DIN: 08146704) |
|--|--|---|---|----------------------------------|
| Attendance of the Board Meeting held on | | | | |
| 27.06.2023 | Yes | Yes | Yes | Yes |
| 24.08.2023 | Yes | Yes | Yes | Yes |

| | | | | |
|--|-----|-----|-----|-------|
| 02.09.2023 | Yes | Yes | Yes | Yes |
| 11.10.2023 | Yes | Yes | Yes | Yes |
| 29.12.2023 | Yes | Yes | Yes | Yes |
| 02.03.2024 | Yes | Yes | Yes | Yes |
| Attendance of the Annual General Meeting held on 30.09.2023 | Yes | Yes | Yes | Yes - |

➤ **EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:**

The Company has been converted from Private into Public with effect from 30th August 2024 with the consent of members taken in the Extra-ordinary General Meeting held on 9th August 2024. Consequently, Name of the company has been changed from Shri Kanha Stainless Private Limited to Shri Kanha Stainless Limited.

➤ **DIVIDEND**

The Board of directors of the company has not recommended any dividend during the financial year as the Company has incurred losses and is not having distributable profits.

➤ **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 134 of the Companies Act, 2013, to the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors hereby confirm that:

(a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, if any;

(b) They have selected such Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2024 and of the profit and loss of the company for that period;

(c) To the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) They have prepared the Annual Accounts on a Going Concern basis;

(e) They have laid down internal financial controls which were followed by the company and that such internal financial controls are adequate and were operating effectively; and;

(f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively;

➤ **PARTICULARS OF EMPLOYEES**

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

➤ **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

➤ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has not advanced/given any loan or guarantee and has not made any investment covered under the provisions of Section 186 of the Companies Act, 2013 during the financial year.

➤ **AUDITORS:**

❖ **STATUTORY AUDITORS & THEIR REPORT**

- ❖ M/S Ravi Sharma & Co., (FRN. 015143C) Chartered Accountants, Statutory Auditors of the company has served resignation letter intending their resignation from the office of the Company as Statutory Auditor with effect from 12.08.2024.
- ❖ To fill the casual vacancy caused by M/S Ravi Sharma & Co., (FRN. 015143C) Chartered Accountants, M/S P. K. S. & Co., (FRN. 007007C) Chartered Accountants has been appointed as Statutory Auditor to hold the office upto the ensuing Annual General Meeting and to conduct the Audit for the Financial Year 2023-24.
- ❖ Board proposed the re-appointment of M/S P. K. S. & Co., (FRN. 007007C) Chartered Accountants, in the ensuing Annual General Meeting for a period of 5 years until the conclusion of 14th Annual General Meeting to be held in the year 2029. They have confirmed that they are not disqualified from continuing as Auditor of the Company. The written consent and Certificate for not disqualified to be as a statutory auditor of the company has been received by the proposed auditors.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Further Auditor remarked with respect to the audit trail that the company has used an accounting software for maintaining its books of accounts which have a feature of recording audit trail facility and the same has not operated throughout the year for all the relevant transactions recorded in the respective software.

To the above remark, board assured the members to maintain the said audit trail from the upcoming years.

❖ **COST AUDITORS**

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintenance is not applicable on the company.

❖ **SECRETARIAL AUDITORS**

The Secretarial Audit is not applicable on the company as it is not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

➤ **APPOINTMENT OF INDEPENDENT DIRECTORS IN THE BOARD AND DECLARATION UNDER SECTION 149(6)**

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

➤ **MATERIAL CHANGES AND COMMITMENTS, IF ANY, CRITERIA SPECIFY**

There were no material changes and no commitment made by directors affecting financial position of the company, however, the company has been converted from Private into Public with effect from 30th August 2024 with the consent of members taken in the Extra-ordinary General Meeting held on 9th August 2024. Consequently, Name of the company has been changed from Shri Kanha Stainless Private Limited to Shri Kanha Stainless Limited.

➤ **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder

| PARTICULARS | REMARKS |
|--|--|
| <u>A) CONSERVATION OF ENERGY:</u> | |
| <ul style="list-style-type: none"> the steps taken or impact on conservation of energy; | The Company is taking due care for using electricity in the office. The Company usually takes care for optimum utilization of energy. No capital investment on energy conservation equipment made during the financial year. |
| <ul style="list-style-type: none"> the steps taken by the company for utilizing alternate sources of energy; | |
| <ul style="list-style-type: none"> the capital investment on energy conservation equipment's; | |
| <u>B) TECHNOLOGY ABSORPTION:</u> | |
| <ul style="list-style-type: none"> the efforts made towards technology absorption; | NA |
| <ul style="list-style-type: none"> the benefits derived like product improvement, cost reduction, product development or import substitution; | Product development, cost reduction and product improvement. |
| <ul style="list-style-type: none"> in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable since 5 years period is over | NA |
| <ul style="list-style-type: none"> ➤ the expenditure incurred on Research and Development | NA |
| <u>C) FOREIGN EXCHANGE EARNINGS AND OUTGO:</u> | |
| <ul style="list-style-type: none"> ➤ The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows | The Company has no Foreign Exchange earnings and outgo in the respective year. |

➤ **RELATED PARTY TRANSACTIONS**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on an arm's length pricing basis. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 is attached as "Annexure-A" to this Report.

➤ **RISK MANAGEMENT**

The Board of Directors of the Company identify, evaluate business risks and opportunities. The Directors of the Company take pro-active steps to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Presently no material risk has been identified by the directors except of general business risks, for which the Company is leveraging on their expertise and experience.

➤ **BOARD OF DIRECTORS AND KEY MANGERIAL PERSONNEL:**

The Board of Directors was duly constituted during the year. There were no changes took place in the constitution of Board during the Financial Year 2023-24.

However, during the period between the end of financial year 2023-24 and the date of board report, following changes took place in the composition of Board and KMP:

Mr. Jai Bhagwan Agarwal (DIN: 01575848) has been re-designated as Chairman and Managing director of the company and Mr. Shashank Agrawal (DIN: 03542611) has been re-designated as Whole-Time director of the Company with effect from 14th September 2024.

Ms. Arzoo Mantri has been appointed as Company Secretary of the Company with effect from 14th September 2024.

➤ **SECRETARIAL STANDARDS**

The Company generally complies with all the applicable Secretarial Standards.

➤ **DEPOSITS**

Your Company has not accepted any fixed deposits covered under Chapter V of the Companies Act, 2013 and, as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

➤ **CORPORATE SOCIAL RESPONSIBILITIES (CSR)**

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitution of Corporate Social Responsibility Committee.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

➤ **BOARD EVALUATION**

The provision of section 134(3) (p) relating to board evaluation is not applicable on the company.

➤ **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

➤ **COMPOSITION OF AUDIT COMMITTEE:**

The provision of section 177 relating to audit committee is not applicable on the company.

➤ **DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your director's further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

➤ **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company is not required to form such policy.

➤ **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

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

During the year 2023-24, no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

➤ **DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANK OR FINANCIAL INSTITUTION**

During the financial year under review, no such settlement and the valuation done while taking loan from the Banks or Financial Institutions.

➤ **REPORTING OF FRAUDS BY AUDITORS**

For the Financial year 2023-24, the Statutory Auditor has not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Companies Act, 2013.

➤ **REGULATORY ACTION**

There are no significant and material orders passed by the regulators or courts or tribunals that could impact the going concern status and operations of the company in future.

➤ **OTHER DISCLOSURES**

- (i) During the financial year, The Company has not issue any equity share with differential rights.
- (ii) The company has not issue any sweat equity shares.
- (iii) There was no commission paid by the company to its managing director or whole time directors, so no disclosure required in pursuance to the section 197(14) of The Companies Act, 2013.

➤ **ACKNOWLEDGEMENT**

Your Directors wish to express their sincere appreciation of the co-operation and assistance received from shareholders, bankers/ Finance companies and other business constituents during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all officers and staff, for their continued support and confidence, which they have reposed in the management.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
SHRI KANHA STAINLESS LIMITED
(Formally Known Shri Kanha Stainless Private Limited)

Report on the audit of the Financial Statements**Opinion**

We have audited the Financial Statements of **SHRI KANHA STAINLESS LIMITED** ("the Company") which comprise the Balance sheet as at 31st March, 2024, the Statement of Profit & 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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and cash flow 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 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.

Key audit 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 Annexure 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if 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 Responsibility for the Financial Statements

The Company's board of directors are responsible for the matters stated 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

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 financial statements may be influenced. We consider quantitative materiality and qualitative factor in (i) Planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 2020 ("the 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 A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of 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 it appears from our examination of those books.



- c) The balance sheet, the statement of profit and loss and 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 Companies (Indian Accounting Standards) Rules, 2014 as amended.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2024 taken on record by the Board of Directors of the Company, none of the directors of the company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over the financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) Being a Private Limited Company in FY 2023-24, provisions of Section 197 is not applicable to the company. Hence reporting under this clause is not applicable. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. The company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 30 to the financial statements.
- II. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
- III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- IV. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;




(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- V. No dividend have been declared or paid during the year by the company.
- VI. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility. However, the same has not operated throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we could not establish the systematic and chronological order of transactions recorded during the year.

FOR P.K.S & CO
CHARTERED ACCOUNTANTS
FRN - 007007C


(PIYUSH KUMAR SINGHI)
PARTNER

M.NO. -075922

DATE - 24.09.2024

PLACE - JAIPUR

UDIN:-24075922BKEPHN2768



"Annexure A" to the Independent Auditors' Report of Shri Kanha Stainless Limited

Referred to in paragraph 1 under the heading 'Report on Other Legal & 'Regulatory Requirement' of our report of even date to the financial statements of the Company for the period ended March 31, 2024:

i. Property, Plant, Equipment and intangible Assets:

- a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant, Equipment and intangible Assets;
- b. The Property, Plant, Equipment and intangible Assets are physically verified by the management according to a phased programme, designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, a portion of the Property, Plant, Equipment and intangible Assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in **Note 10** on Property, plant and equipment and Intangible assets to the financial statements, are held in the name of the Company.
- d. The Company has not revalued its Property, Plant, Equipment and intangible Assets during the year. Accordingly, the reporting under clause 3(i)(d) of the Order is not applicable to the company.
- e. Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding Benami property under Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) (formerly the Benami Transaction (Prohibition) Act, 1998 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the company has appropriately disclosed the details in its financial statements does not arise.

ii. Inventory:

- a. The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate.



- b. During the year, the Company has been sanctioned working capital limits in excess of 5 Crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, receipted copy of quarterly statements and stock statements is not available with the company. Hence we are unable to comment on this clause.

iii. Loans given by the Company:

The company has not made investment in other company during the year and has provided loans to other entities also, however it has not provided any guarantee or security for such loans, in this regard:

- A) The company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to subsidiaries, joint ventures and associates.
- B) a) The company has not made investment in, provided any guarantee or security, secured or unsecured to companies, firms, LLP or any other parties, however it has provided loans, details of the same are given below:

| (Rs. In Lacs) | | | | |
|---------------|------------------|--|---|------------------------------|
| S.NO | Nature | Aggregate Amount of Loan Given and received back during the Year | Aggregate Maximum O/s of loan during the Year | O/s balance as on 31.03.2024 |
| 1. | Details of loans | 36.75 | 492.31 | 492.31 |

- b) According to the information and explanations given to us and based on the audit procedures carried out by us, in our opinion the investments made and guarantees provided during the year and the terms and conditions of the grant of loans and guarantees provided during the year are prima facie, not prejudicial to the interest of the Company.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.



- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to same parties.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

C) Loans to directors & Investment by the Company:

In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

D) Deposits

The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

E) Cost records:

Accordingly, to the information and explanation given to us, maintenance of Cost records is not mandatory for the company hence this clause is not applicable.

F) Statutory Dues:

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax and labour welfare fund, though there were no delay in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- b. According to the information and explanation given to us, there are no dues of income tax, goods & services tax, duty of excise, value added tax on account of dispute.



G) Unrecorded income

According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

H) Repayment of Loans:

- a. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- c. In our opinion, and according to the information and explanations given to us, term loans which were applied for the purpose for which the loans were obtained.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has not used funds raised on short-term basis for the long-term purposes.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

I) Utilization of IPO & FPO and Private Placement and Preferential issues:

- a. The Company has not raised any money by way of initial public offer and through debt instruments by way of further public offer during the year.
- b. The Company has not made preferential allotment or private placement of shares during the year and requirement to report o clause 3(x)(b) of the order is not applicable to the company.



J) Reporting of Fraud:

- a. During the course of our examination of the books and records 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, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. During the course of our examination of the books and records 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, no report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- c. During the course of our examination of the books and records 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, the Company has not received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

K) NIDHI Company:

As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

L) Related Party Transaction:

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

M) Internal Audit

In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.



N) Non-Cash Transaction:

The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under Clause 3(xv) of the Order is not applicable to the Company.

O) Register under RBI Act, 1934:

The Provisions of Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi) (a), (b), (c) & (d) of the Order is not applicable to the Company.

P) Cash Losses

The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

Q) Auditor's resignation

There has been resignation of the statutory auditors for the financial year 2023-24.

R) Financial Position

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one 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.



S) Corporate Social Responsibility

The Provision of Section 135 of the Companies Act 2013 in relation to Corporate Social Responsibility are not applicable to the Company during the year and hence reporting under this clause is not applicable.

FOR P.K.S & CO
CHARTERED ACCOUNTANTS
FRN-007007C




(PIYUSH KUMAR SINGHI)

PARTNER

M.NO.: 075922

Date: 24.09.2024

PLACE: JAIPUR

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT

Referred to in our Audit Report of Even date

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 **M/sSHRI KANHA STAINLESS LIMITED** ('the Company') as of 31st March, 2024 in conjunction with our audit of the **Financial Statements** of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

As per our report of even date

FOR P.K.S & CO.

CHARTERED ACCOUNTANTS

FRN: 007007C


(PIYUSH KUMAR SINGHI)

PARTNER

M.NO:075922

PLACE: JAIPUR

DATE- 24.09.2024

UDIN: 24075922BKEPHN2768



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

BALANCE SHEET FOR THE YEAR ENDED ON MARCH 31, 2024

| PARTICULARS | NOTES | (Rs. In Lacs) | |
|---|-------|------------------------|------------------------|
| | | As on 31.03.2024 | As on 31.03.2023 |
| <u>EQUITY & LIABILITY</u> | | | |
| <u>SHAREHOLDERS FUND</u> | | | |
| Share Capital | [2] | 87.00 | 87.00 |
| Reserve & Surplus | [3] | 516.86 | 289.89 |
| | | <u>603.86</u> | <u>376.89</u> |
| <u>Non Current Liabilities</u> | | | |
| Long Term Borrowings | [4] | 2,246.25 | 2,239.64 |
| Deffered Tax Liabilities (Net) | [5] | 210.12 | 102.18 |
| Long term Provision | [6] | 20.94 | 13.95 |
| | | <u>2,477.31</u> | <u>2,355.77</u> |
| <u>Current Liabilities</u> | | | |
| Short Term Borrowings | [4] | 3,147.40 | 1,796.44 |
| Trade Payable | [7] | 1,666.72 | 1,071.42 |
| Other Current Liabilities | [8] | 120.48 | 101.34 |
| Short Term Provision | [9] | 67.34 | 15.91 |
| | | <u>5,001.94</u> | <u>2,985.11</u> |
| TOTAL | | <u><u>8,083.11</u></u> | <u><u>5,717.77</u></u> |
| <u>Assets</u> | | | |
| <u>NON CURRENT ASSETS</u> | | | |
| (a) Property, plant and equipment and Intangible assets | | | |
| (i) Property, plant and equipment | [10] | 1,768.37 | 1,702.74 |
| (ii) Intangible assets | | | |
| Long Term Loans & Advances | [11] | 545.34 | 506.75 |
| Other non-current Assets | | - | - |
| | | <u>2,313.71</u> | <u>2,209.49</u> |
| <u>CURRENT ASSETS</u> | | | |
| Inventories | [12] | 852.63 | 1,313.05 |
| Trade Recievables | [13] | 2,808.33 | 1,061.88 |
| Cash & Bank Balance | [14] | 1,274.16 | 109.47 |
| Short Term loans & advances | [15] | 538.98 | 637.04 |
| Other Current asset | [16] | 295.30 | 386.83 |
| | | <u>5,769.41</u> | <u>3,508.27</u> |
| TOTAL | | <u><u>8,083.11</u></u> | <u><u>5,717.77</u></u> |

Significant Accounting Policies and
Notes on Financial Statements
AS PER OUR REPORT OF EVEN DATE

For P. K. S. Co.

Chartered Accountants
(FRN 007007C)

(Piyush Kumar Singh)

Partner

M.No. 075922

Place: Jaipur

Date: 24.09.2024

UDIN:- 24075922BKEPHN2768



For and on behalf of the Board
Shri Kanha Stainless Limited

(Jai Bhagwan Agrawal)

Director

DIN : 01575848

(Shashank Agrawal)

Director

DIN : 03542611

Arzoo Mantri

(Arzoo Mantri)

Company Secretary

Pan No. GRJPM7752R

Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

PROFIT & LOSS FOR THE YEAR ENDED ON MARCH 31, 2024

| PARTICULARS | NOTES | (Rs. In Lacs) | |
|--|-------|------------------------------------|------------------------------------|
| | | FOR THE PERIOD ENDED 31.03.2024 | FOR THE PERIOD ENDED 31.03.2023 |
| INCOME | | | |
| Revenue From Operations (Gross) | [17] | 13,039.31 | 13,579.29 |
| Less: Excise Duty | | | |
| Revenue From Operations (Net) | | 13,039.31 | 13,579.29 |
| Other Income | [18] | 60.46 | 67.76 |
| Total Income | | 13,099.76 | 13,647.05 |
| EXPENSES | | | |
| Cost of Material consumed | [19] | 11,200.20 | 12,132.96 |
| Purchase of Stock in Trade | | - | - |
| (Increase)/Decrease in Inventories | [20] | 254.79 | 222.93 |
| Manufacturing Expenses | [21] | 516.54 | 475.09 |
| Employee Benefit Expenses | [22] | 130.82 | 113.19 |
| Finance Cost | [23] | 415.95 | 371.59 |
| Depreciation/Amortisation Expenses | [10] | 134.02 | 129.80 |
| Other Expenses | [24] | 94.80 | 106.92 |
| TOTAL EXPENSES (ii) | | 12,747.11 | 13,552.47 |
| Earning before Exeptional Items & Taxes | | | |
| | | 352.65 | 94.57 |
| Tax Expenses of continuing operatons | | | |
| Current Tax | | 58.86 | 14.78 |
| MAT Credit | | (41.13) | (14.78) |
| Deffered Tax | | 107.95 | 22.55 |
| Profit / (loss) for the period (Profit after Tax) | | 226.97 | 72.02 |
| EPS (Par Value Rs. 10/-) | | 26.09 | 8.28 |

Accounting Policies & Notes on Accounts

[1]

As per our Report of Even Date

AS PER OUR REPORT OF EVEN DATE

For P. K. S. Co.

Chartered Accountants

(FRN 007007C)

(Piyush Kumar Singhi)

Partner

M.No. 075922

Place: Jaipur

Date: 24.09.2024

UDIN:- 24075922BKEPHN2768

For and on behalf of the Board
Shri Kanha Stainless Limited

(Jai Bhagwan Agrawal)

Director

DIN : 01575848

(Shashank Agrawal)

Director

DIN : 03542611

(Arzoo Mantri)

Company Secretary

Pan No. GRJPM7752R

Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2024

| PARTICULARS | For the period ended 31.03.2024 | For the period ended 31.03.2023 |
|--|------------------------------------|------------------------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net Profit before extraordinary items & tax as per Profit and Loss Account | 352.65 | 94.57 |
| Adjusted for: | | |
| Provision for Tax | | |
| Depreciation and Amortization Expense | 134.02 | 129.80 |
| Interest Income | (59.14) | (56.67) |
| Provision for Gratuity | 14.32 | 6.06 |
| Loss on sale of Fixed Assets | 0.09 | |
| Interest Paid | 399.94 | 355.01 |
| | 489.24 | 434.19 |
| | 841.89 | 528.76 |
| Operating Profit before Working Capital Changes | | |
| Adjusted for: | | |
| Trade and Other Receivables | (1,746.45) | (168.04) |
| Inventories | 460.42 | 146.66 |
| Short Term Loans and advances | 98.06 | (488.47) |
| Other Current Assets | 132.67 | 103.42 |
| Short Term Borrowings | 1,350.96 | 240.66 |
| Trade Payables | 595.30 | (49.69) |
| Other Current Liabilities | 19.14 | (42.03) |
| Short Term Provision | - | (0.73) |
| Cash Generated from Operations | 1,751.97 | 270.54 |
| Taxes Paid | 14.78 | - |
| Cash Generated from Operating Activities | 1,737.20 | 270.54 |
| B: CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets | (199.64) | (132.53) |
| Increase in FDR | 28.38 | (4.46) |
| Interest Income | 59.14 | 56.67 |
| Loans and Advances | (38.59) | (33.95) |
| Sale of Fixed Asset | | |
| Cash Generated from Investing Activities | (150.71) | (114.25) |
| C: CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Receipt/Repayment of Borrowings | 6.61 | 199.21 |
| Interest Paid | (399.94) | (355.01) |
| Cash Generate from Financing Activities | (393.33) | (155.80) |
| Net Increase in Cash and Cash Equivalents | 1,193.16 | 0.49 |
| Opening Balance of Cash and Cash Equivalents | 3.60 | 3.11 |
| Closing Balance of Cash and Cash Equivalents | 1,196.76 | 3.60 |

Cash Flow Statement has been prepared using Indirect Method as per AS-3

AS PER OUR REPORT OF EVEN DATE

For P. K. S. Co.

Chartered Accountants

(FRN 007007C)



(Piyush Kumar Singhi)

Partner

M.No. 075922

Place: Jaipur

Date: 24.09.2024

For and on behalf of the Board
Shri Kanha Stainless Limited


(Jai Bhagwan Agrawal)
Director
DIN : 01575848


(Shashank Agrawal)
Director
DIN : 03542611


(Arzoo Mantri)
Company Secretary
Pan No. GRJPM7752R

SHRI KANHA STAINLESS LIMITED

(Formerly Known Shri Kanha Stainless Private Limited)

NOTE - 1 NOTES & SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

Shri Kanha Stainless Limited (Converted in Public Company) domiciled in India and incorporated under the provisions of Companies Act, 2013 . The company is engaged in business of CRSS Coil & other products. The Company caters huge demand in domestic market with the dynamic & experienced promoter and well qualified management .

The financial statements have been prepared to comply in all material respects with the notified accounting standards prescribed under section 133 of the Companies Act, 2013 (Act) read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India and Income Computation Disclosure Standards (ICDS) I to X issued by CBDT, wherever applicable, unless contrary to the requirement of Accounting Standards prescribed under section 133 of the Act. The accounting policies have been consistently applied.

Statement of Significant Accounting Policies :

1. **General:** Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.
2. **Revenue Recognition:** Expenses and Income considered payable and receivable respectively are accounted for on accrual basis except otherwise stated. Sales are recorded net of trade discounts/rebates, sale tax and GST.
3. **Fixed Assets:** Fixed Assets are stated at their original cost of acquisition, including freight, taxes and other incidental expenses related to acquisition and installation of concerned assets, and inclusive of preoperative expenditure capitalized, and net of excise cenvat if any
4. **Depreciation on fixed Assets:** Depreciation on fixed assets has been provided in a manner that amortizes the cost of the assets over their estimated useful lives on straight line method as per the useful life prescribed under Schedule- II to the Companies Act, 2013.



5. **Inventory valuation:** Inventories are valued at the lower of cost and net realizable value. Scrap is valued at net realizable value. Cost of Inventories, other than for manufactured finished goods and work in progress is determined on the first in first out basis. Cost of manufactured finished goods and work in progress includes material cost determined on the weighted average basis and also includes an appropriate portion of allocable overheads.
6. **Investment:**
- a) Current Investments are valued at lower of cost and fair market value determined on an individual investment basis.
 - b) Long term, if any is carried at cost. Provision is made for diminution, other than temporary, in the Value of such investments.
7. **Employee Benefits:** The Liability in respect of employee benefits is provided on the basis of monthly payment to Pension & P.F. under the Employees Provident Fund (& Misc. Prov.) Act, 1952, which are charged against revenue. Gratuity Liability is provided as per actuarial valuation.
8. **Taxation:**
- a) Current tax is the provision made for Income Tax Liability, if any on the profits in accordance with the provisions of the Income Tax Act 1961.
 - b) Deferred tax is recognized, on timing differences, being the difference resulting from the recognition of items in the financial statement and in estimating current income tax.
 - c) Deferred tax assets are recognized on unabsorbed depreciation / business losses and on expenses incurred but to be allowed on payment basis as per the provision of income tax act 1961.
 - d) Deferred tax asset and liabilities are measured using the tax rate and tax law that have been enacted on the balance sheet date.
9. **Provisions, Contingent Liabilities and Contingent Assets:** Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liability are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.



10. **Earnings per share:** The Company reports Basic and Diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.
11. **Borrowing cost:** Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as the part of the cost of each assets, all other borrowing costs are charged to revenue.
12. **Impairment of Assets:** At each Balance Sheet, the Company assesses whether there is any indication that any assets, may be impaired, if any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to the profit & loss account. If at the Balance Sheet date there is an indication that a previous impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

(Rs. In Lacs)

NOTE 2 - SHARE CAPITAL

AUTHORISED SHARE CAPITAL

4000000 Equity Shares @ Rs. 10 each
(Previous year 40,00,000 shares @10 each)

31.03.2024 31.03.2023

400.00 400.00

ISSUED, SUBSCRIBED & PAID UP CAPITAL

870000 Equity Shares @ Rs. 10 each
(Previous year 8,70,000 shares @10 each)\

87.00 87.00

87.00 87.00

A. Reconciliation of the Shares Outstanding at the Beginning and at the end of the reporting period.

Equity Shares

At the beginning of the Period

31.03.2024 31.03.2023

870,000 870,000

Add:- Issued during the Period

Outstanding at the end of the period

870,000 870,000

B. Terms/ Rights Attached to Shares

- The Company has only one Class of Equity Shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- There is no fresh issue or buyback of shares during the year.
- There is no change in the number of shares outstanding at the beginning and at the end of the year.
- There is no change in the pattern of shareholding during the year. It is same as the last year.

C. Shares Held By Each Shareholders Holding More Than 5% Shares As On 31.03.2024

Details of Equity Shareholders Holding More Than 5% Shares in the Company

| S.No. | Name of the shareholder | 31.03.2024 | | 31.03.2023 | |
|-------|-------------------------|---------------|-------------------|---------------|-------------------|
| | | No. of Shares | % of Shareholding | No. of Shares | % of Shareholding |
| 1 | Jai Bhagwan Agarwal | 300,000 | 34.48 | 300,000 | 34.48 |
| 2 | Aayush Agarwal | 100,000 | 11.49 | 100,000 | 11.49 |
| 3 | Kavita Agarwal | 170,000 | 19.54 | 170,000 | 19.54 |
| 4 | Shashank Agarwal | 200,000 | 22.99 | 200,000 | 22.99 |
| 5 | Neha Agarwal | 100,000 | 11.49 | 100,000 | 11.49 |
| Total | | 870,000 | 100.00 | 870,000 | 100.00 |

| Shares held by promoters at the end of the year 31st March 2024 | | | | |
|---|---------------------|------------------|---------------------|-----------------------------|
| Sr. No. | Promoter Name | No. of Shares ** | % of total shares** | % Change during the year*** |
| 1 | Jai Bhagwan Agarwal | 300,000 | 34.48 | - |
| 2 | Aayush Agarwal | 100,000 | 11.49 | - |
| 3 | Kavita Agarwal | 170,000 | 19.54 | - |
| 4 | Shashank Agarwal | 200,000 | 22.99 | - |
| 5 | Neha Agarwal | 100,000 | 11.49 | - |
| Total | | 870,000 | 100.00 | |

| Shares held by promoters at the end of the year ending 31st March 2023 | | | | |
|--|---------------------|------------------|---------------------|-----------------------------|
| Sr. No. | Promoter Name | No. of Shares ** | % of total shares** | % Change during the year*** |
| 1 | Jai Bhagwan Agarwal | 300,000 | 34.48 | - |
| 2 | Aayush Agarwal | 100,000 | 11.49 | - |
| 3 | Kavita Agarwal | 170,000 | 19.54 | - |
| 4 | Shashank Agarwal | 200,000 | 22.99 | - |
| 5 | Neha Agarwal | 100,000 | 11.49 | - |
| Total | | 870,000 | 100 | |

** Details shall be given separately for each class of shares

*** percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.]

NOTE 3 - RESERVE AND SURPLUS

SURPLUS/PROFIT & LOSS ACCOUNT

Balance as per last financial statements

Profit for the year

Net Surplus in the Statement of Profit & Loss

31.03.2024 31.03.2023

289.89 217.85

226.97 72.02

516.86 289.89

Total Reserve and Surplus

516.86 289.89



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

(Rs. In Lacs)

NOTE 4 - LONG TERM AND SHORT TERM BORROWINGS

| A) Secured Term Loans from Banks | Non Current Portion | | Current Portion | |
|---|---------------------|---------------|-----------------|----------------|
| | 31.03.2024 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| HDFC Bank T/L (P&M) - | 0.00 | 0.00 | 0.00 | 28.51 |
| HDFC GECL | 0.00 | 192.78 | 24.68 | 118.66 |
| HDFC Bank T/L | 97.90 | 124.97 | 27.18 | 25.03 |
| Vehicles Loans From Bank | 0.00 | 3.63 | 0.00 | 5.74 |
| Housing Development Finance Corporation Limited | 10.22 | 0.00 | 0.74 | 0.00 |
| Housing Development Finance Corporation Limited | 10.22 | 21.79 | 0.74 | 1.34 |
| HDFFC T/I ECLFS | 112.79 | 0.00 | 49.30 | 0.00 |
| Jana Finance Bank | 172.43 | 185.97 | 13.56 | 11.96 |
| HDFC CC A/C | 0.00 | 0.00 | 0.00 | 416.86 |
| WCDL (HDFC BANK) | 0.00 | 0.00 | 993.66 | 993.66 |
| KOTAK CC A/C | 0.00 | 0.00 | 448.73 | 0.00 |
| WCDL (KOTAK BANK) | 0.00 | 0.00 | 993.66 | 0.00 |
| Tata capital channel service | 0.00 | 0.00 | 393.21 | 0.00 |
| Tata capital WCDL | 0.00 | 0.00 | 201.60 | 0.00 |
| Tata Capital Financial Services | 0.00 | 0.00 | 0.34 | 194.69 |
| Net Amount (A) | 403.57 | 529.15 | 3147.40 | 1796.44 |

B) Loan and Advances from Share Holders, Directors, Associates & Others

LOANS-UNSECURED

| | | | | |
|------------------------------|---------|---------|------|------|
| From Directors and Relatives | 454.55 | 640.57 | 0.00 | 0.00 |
| From Body Corporate | 1388.13 | 1069.92 | 0.00 | 0.00 |

| | | | | |
|-----------------------|----------------|----------------|-------------|-------------|
| Net Amount (B) | 1842.68 | 1710.49 | 0.00 | 0.00 |
|-----------------------|----------------|----------------|-------------|-------------|

TOTAL LONG TERM AND SHORT TERM BORROWINGS (A+B)

| | | | |
|----------------|----------------|----------------|----------------|
| 2246.25 | 2239.64 | 3147.40 | 1796.44 |
|----------------|----------------|----------------|----------------|

NOTE 5 - DEFERRED TAX LIABILITIES

| | 31.03.2024 | 31.03.2023 |
|--|---------------|---------------|
| Deferred Tax Liability | 210.12 | 102.18 |
| Particulars | - | - |
| Deferred Tax Liabilities | - | - |
| Difference Between Books & IT Depreciation | 217.77 | 184.11 |
| Deferred Tax Assets | - | - |
| Expenses Debited in P & L but to be Allowed in Subsequent Years in Income Tax. | 7.65 | 3.92 |
| Unabsorbed Depreciation | - | 78.01 |
| Net Deferred Tax Liabilities | 210.12 | 102.18 |

NOTE 6 - Long Term Provisions

Provision for Gratuity Long Term

| | |
|--------------|--------------|
| 31.03.2024 | 31.03.2023 |
| 20.94 | 13.95 |
| 20.94 | 13.95 |



Note 4.1 : Disclosure about loans taken by Shree Kanha Stainless Limited

| Sno | Nature of loan | Name of Bank | Loan Amount | Amount Outstanding in ₹ as on 31/3/24 | Current Maturity | Long Term Borrowings | Short Term Borrowings | Terms of Repayment | Nature of security |
|-----|---|-------------------------|-------------|---------------------------------------|------------------|----------------------|-----------------------|--|--|
| 1 | Housing Development Finance Corporation Limited | Prime Tower | 14.00 | 10.96 | 0.74 | 10.22 | 0.00 | Loan to be paid in 180 Installments where ROI is 10.2% | Office number 401 at prime tower is at security |
| 2 | Housing Development Finance Corporation Limited | Prime Tower | 14.00 | 10.96 | 0.74 | 10.22 | 0.00 | Loan to be paid in 180 Installments where ROI is 10.2% | Office number 402 at prime tower is at security |
| 3 | Business Expansion | Jana Small Finance Bank | 200.81 | 185.99 | 13.56 | 172.43 | 0.00 | Loan is to be paid in 39 monthly installment @ 11% p.a and after that 81 months installment will be paid at (TBLR+11% p.a) | Plot no. 6A, 6B, 6C and 6D, Shri ram vihar, Machwa, Kalwar road, Jaipur-302012 |
| 4 | GECL | HDFC Bank | 327.00 | 24.68 | 24.68 | 0.00 | 0.00 | Loan is paid in 72 installments of Rs 1,028,475.00 | 1. Plot No C-40-c, Reengus Industrial Area, Sikar in the name of Company 2. Industrial Property Plot No E-168, Ajeetgarh Industrial Area, District Sikar -1698 E-169(A)332002 Ajeetgarh Industrial Area in the name of Nav Bharat Tubes Pvt Ltd 3. Residential Property Flat No-405 Mira Marg Banipark on fourth floor at siddhi Vinayak Apartment at D-15, 302016 Mira Marg in the name of Kavita Agarwal |
| 5 | ECLGS (New) | HDFC Bank | 166.00 | 162.09 | 49.30 | 112.79 | 0.00 | Loan is paid in 60 installments consisting of 24 installments of 107,900.00 and 36 installments of Rs 518,654.00 | 4. GECL Scheme- This Facility is covered by 100% guarantee from National Credit Guarantee Trustee Company Limited (NCGTC) Extension of second charge over existing primary and collateral securities including mortgages created in favour of the bank. 5. First charge on current assets of the company |
| 6 | Term Loan | HDFC Bank | 150.00 | 125.08 | 27.18 | 97.90 | 0.00 | 60 Installments | 1. Plot No C-40-c, Reengus Industrial Area, Sikar in the name of Company 2. Residential Property Flat No-405 Mira Marg Banipark on fourth floor at siddhi Vinayak Apartment at D-15, 302016 Mira Marg in the name of Kavita Agarwal |
| 7 | Cash Credit/ WCCL | HDFC Bank | 1450.00 | 993.66 | 0.00 | | 993.66 | On Demand | 3. First and exclusive charge on residential plot no D-198, Sun City Projects, Gram Ninder, Amer, Jaipur 4. Exclusive charge by way of hyp of all existing and current assets, movable and movable fixed assets of the company 5. Personal guarantee of Jai Bhagwan Agarwal, Shashank Agarwal, Kavita Agarwal, Ayush Agarwal, Neha Agarwal and collateral owners. |
| 8 | Cash Credit/ WCCL | Kotak Mahindra Bank | 1750.00 | 1442.39 | 0.00 | | 1442.39 | On Demand | 1. Exclusive charge on stock funded by Tata Capital Financial Services Ltd 2. FDR of Rs. 20.00 Lacs |
| 9 | Channel Finance | Tata Capital Limited | 400.00 | 393.21 | | | 393.21 | On Demand | |
| 10 | WCCL | Tata Capital Limited | 200.00 | 201.60 | | | 201.60 | On Demand | |
| 11 | Channel Finance (Part of Point No 9) | Tata Capital Limited | 0.00 | 0.34 | | | 0.34 | On Demand | |
| | | | 4671.81 | 3550.97 | 116.19 | 403.57 | 3031.20 | | |

Note : HDFC bank facilities take over by Kotak Mahindra Bank by sanction letter 28.03.2024, account adjusted after Mar 2024, Hence O/s balance of HDFC and Kotak Bank shown in secured facilities and DR balance of CC account shown in bank balance note no.1471

Note 7 : Trade payables

(Rs. In Lacs)

| Particulars | 31st March, 2024 | 31st March, 2023 |
|--|------------------|------------------|
| Total outstanding dues of micro enterprises and small enterprises | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 1,666.72 | 1,071.42 |
| Total | 1,666.72 | 1,071.42 |

Trade Payables (including LC) ageing schedule as at 31st March, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|-----------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not yet due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | | | | | | - |
| (ii) Others | | | | | | - |
| (iii) Disputed dues- MSME | - | 1,655.74 | 1.02 | 9.79 | 0.17 | 1,666.72 |
| (iv) Disputed dues - Others | | | | | | - |

Trade Payables (including LC) ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|-----------|-----------|-------------------|----------|
| | Not yet due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | | | | | | |
| (ii) Others | 441.21 | 618.65 | 11.21 | - | 0.36 | 1,071.42 |
| (iii) Disputed dues- MSME | | | | | | - |
| (iv) Disputed dues - Others | | | | | | - |

Note 7.1 : The Company has the process of identification of suppliers registered under the "The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006" by obtaining confirmation from suppliers. Footnote: The Company has not received any intimation from 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act and could not be furnished however the management does not anticipate any significant liability in this regard.

Based on the information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is as follows:

| Particulars | 31/03/2024 | 31/03/2023 |
|--|-------------|-------------|
| Dues Remaining Unpaid | | |
| The Principle amount remaining unpaid to any supplier as at the end of the year | 0.00 | 0.00 |
| Interest Due on the above amount | 0 | 0 |
| The amount of interest paid by in terms of section 16 of the Micro, Small and Medium Enterprises Development Act 2006 | 0 | 0 |
| Amount of the Payment made to the supplier beyond the due date during the year. | 0 | 0 |
| Amount of Interest due and payable for the Period of delay in making payment (Which have been paid but beyond the due date during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development act 2006 | 0 | 0 |
| Amount of Interest accrued and remaining unpaid at the end of the year | 0 | 0 |
| Amount of further interest remaining due and payable even in succeeding years, until such date when the interest due as above are actual paid to the small enterprise | 0 | 0 |
| TOTAL | 0.00 | 0.00 |



(Rs. In Lacs)

NOTE 8 - OTHER CURRENT LIABILITIES

| | 31.03.2024 | 31.03.2023 |
|--|---------------|---------------|
| Payables for Capital Assets/Advance against capital assets | 11.09 | 8.15 |
| Statutory Dues | 19.12 | 40.84 |
| Advances from Customers | 15.44 | 5.48 |
| Pradhan Mantri Rojar Protsahan Yojana (PF) | - | 0.04 |
| Bonus Payable | 5.87 | |
| Outstanding liabilities | 68.68 | 46.55 |
| Security Deposits Held | 0.28 | 0.28 |
| | <u>120.48</u> | <u>101.34</u> |

NOTE 9 - SHORT TERM PROVISIONS

| | 31.03.2024 | 31.03.2023 |
|-----------------------------------|--------------|--------------|
| Provision for Income Tax | 58.86 | 14.78 |
| Provision for Gratuity Short Term | 8.47 | 1.14 |
| | <u>67.34</u> | <u>15.91</u> |

NOTE 11- LONG TERM LOAN AND ADVANCES

| | 31.03.2024 | 31.03.2023 |
|---|---------------|---------------|
| Unsecured, considered Good | | |
| Security Deposits - Unsecured considered good | 53.03 | 53.03 |
| Loan to Parties | 492.31 | 453.72 |
| | <u>545.34</u> | <u>506.75</u> |

NOTE 12 - Inventories

(As taken ,valued & certified by the management)

| | 31.03.2024 | 31.03.2023 |
|---------------------------------|---------------|-----------------|
| A) Raw Material | 552.04 | 757.67 |
| B) Consumables | 67.93 | 52.91 |
| C) Finished Goods & By Products | 93.21 | 251.92 |
| D) WIP | 139.45 | 250.55 |
| | <u>852.63</u> | <u>1,313.05</u> |



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

NOTE - 10

Fixed Assets

| Particulars | Gross Block | | | Depreciation | | | Net Block | |
|----------------------------|------------------|--------------|--------------|------------------|-----------------|----------------|-----------------|------------------|
| | As at 01.04.2023 | Addition | Deduction | As At 31.03.2024 | Upto 01.04.2023 | For the period | Upto 31.03.2024 | As At 31.03.2023 |
| Tangible Asset | | | | | | | | |
| Land | 99.80 | | - | 99.80 | - | - | - | 99.80 |
| Building & Factory Shed | 375.05 | 1.37 | - | 376.42 | 61.49 | 10.91 | 72.39 | 313.56 |
| Plant & Machinery | 1,302.07 | 38.57 | - | 1,340.64 | 406.72 | 82.84 | 489.56 | 895.35 |
| Miscellaneous Fixed assets | 507.92 | 14.55 | 21.37 | 501.10 | 152.99 | 31.54 | 177.65 | 354.94 |
| Electrical Installation | 36.92 | - | - | 36.92 | 19.86 | 3.52 | 23.37 | 17.06 |
| Office Equipments | 7.81 | 0.44 | - | 8.25 | 4.92 | 0.31 | 5.23 | 2.90 |
| Vehicle | 38.58 | 31.14 | - | 69.72 | 19.65 | 4.85 | 24.50 | 18.93 |
| Computer & Softwares | 1.91 | - | - | 1.91 | 1.71 | 0.06 | 1.76 | 0.21 |
| Total (A) | 2,370.07 | 86.07 | 21.37 | 2,434.76 | 667.32 | 134.02 | 794.46 | 1,702.74 |

| CWIP | Amount in CWIP for a period of | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------|--------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 | Total |
| Projects in progress | 128.06 | | | | 128.06 |
| Projects temporarily suspended | | Nil | | | |

| CWIP | To be completed in | | | | |
|-----------|--------------------|-----------|-----------|-------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 | Total |
| Project 1 | | Nil | | | |
| Project 2 | | Nil | | | |

| Intangible assets under development | Amount in CWIP for a period of | | | | |
|-------------------------------------|--------------------------------|-----------|-----------|-------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 | Total |
| Projects in progress | | Nil | | | |
| Projects temporarily suspended | | Nil | | | |

| Intangible assets under development | Amount in CWIP for a period of | | | | |
|-------------------------------------|--------------------------------|-----------|-----------|-------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 | Total |
| Projects in progress | | Nil | | | |
| Projects temporarily suspended | | Nil | | | |



| Note 13 : Trade receivables | | | |
|------------------------------------|---|------------------|-----------------------------------|
| Sr. No. | Particulars | 31st March, 2024 | (Rs. In Lacs) 31st March, 2023 |
| 1 | Outstanding for more than six months a) Secured, considered good b) Unsecured, considered good c) Doubtful | 152.94 | 96.91 |
| 2 | Others a) Secured, considered good b) Unsecured, considered good c) Doubtful | 2,655.39 | 964.97 |
| | Total | 2,808.33 | 1,061.88 |

Trade Receivables ageing schedule as at 31st March, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|--------------------|-------------|-----------|-----------|-------------------|----------|
| | Not yet due | Less than 6 months | 6-12 months | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables- Considered Good | - | 2,655.39 | 5.70 | 93.39 | 18.79 | 35.06 | 2,808.33 |
| Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |

Trade Receivables ageing schedule as at 31st March, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|---|--|--------------------|-------------|-----------|-----------|-------------------|----------|
| | Not yet due | Less than 6 months | 6-12 months | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables- Considered Good | 908.71 | 56.27 | 19.03 | 18.44 | 14.52 | 44.91 | 1,061.88 |
| Undisputed Trade Receivables- Considered Doubtful | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Good | - | - | - | - | - | - | - |
| Disputed Trade Receivables - Considered Doubtful | - | - | - | - | - | - | - |



(Rs. In Lacs)

NOTE 14 - Cash & Bank Balances**Note 14.1. Cash & Cash Equivalents**

| | 31.03.2024 | 31.03.2023 |
|-----------------------------------|-----------------|-------------|
| Cash In Hand | 5.46 | 2.93 |
| Balances with Banks | | - |
| Current Account | 0.23 | 0.67 |
| Dr Balance in Cash Credit Account | 1,191.08 | - |
| | <u>1,196.76</u> | <u>3.60</u> |

Note 14.2. Other Bank Balances

| | | |
|---------------|-----------------|---------------|
| FDR (Pledged) | 77.39 | 105.87 |
| | <u>77.39</u> | <u>105.87</u> |
| | <u>1,274.16</u> | <u>109.47</u> |

NOTE 15 - SHORT TERM LOAN AND ADVANCES**UNSECURED, CONSIDERED GOOD****Advances Recoverable in Cash or Kind**

| | 31.03.2024 | 31.03.2023 |
|---------------------|---------------|---------------|
| Advances To Vendors | 530.40 | 636.52 |
| Staff Advances | 8.58 | 0.52 |
| | <u>538.98</u> | <u>637.04</u> |

Note 15.1 : Advance to Vendors include Rs.77,57,427 to "Yangzhou Mivi Import and Export Co. Ltd" for which the matter is under litigation.

NOTE 16 - Other Current Assets

| | 31.03.2024 | 31.03.2023 |
|--|---------------|---------------|
| MAT Credit | 114.59 | 73.46 |
| CST Deposited | 0.45 | 0.45 |
| Prepaid Insurance | 3.76 | 0.06 |
| Accrued Income | 129.28 | 253.78 |
| GST | 14.51 | 19.60 |
| Advance income tax & Tds Receivables | 27.55 | 29.20 |
| Income Tax Refundable | 5.10 | 5.10 |
| Prepaid Transit Insurance and expenses | 0.03 | 5.19 |
| | <u>295.30</u> | <u>386.83</u> |



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

(Rs. In Lacs)

| <u>NOTE 17 - REVENUE FROM OPERATIONS</u> | 31.03.2024 | 31.03.2023 |
|--|------------------|------------------|
| Sale of Product | | |
| Sales | 13,034.53 | 13,447.48 |
| Sale of Services | 2.91 | 106.82 |
| Other Operating Revenue | 1.87 | 24.99 |
| Revenue from Operations (Gross) | <u>13,039.31</u> | <u>13,579.29</u> |

| <u>NOTE 18 - OTHER INCOME</u> | 31/03/2024 | 31/03/2023 |
|-------------------------------|--------------|--------------|
| Misc Income | - | 0.04 |
| Interest Received | 59.14 | 56.67 |
| Rent Income | 1.32 | 1.20 |
| Insurance Claim | - | 9.85 |
| | <u>60.46</u> | <u>67.76</u> |

| <u>NOTE 19 - COST OF RAW MATERIALS CONSUMED</u> | 31.03.2024 | 31.03.2023 |
|---|------------------|------------------|
| Opening Stock | 757.67 | 611.39 |
| Add: Purchases Less Returns | 10,994.57 | 12,279.24 |
| Less: Closing Stock | 552.04 | 757.67 |
| | <u>11,200.20</u> | <u>12,132.96</u> |

| <u>NOTE 20 - CHANGES IN INVENTORIES OF FINISHED GOODS, WIP & STOCK IN TRADE</u> | 31.03.2024 | 31.03.2023 |
|---|---------------|---------------|
| Opening Stock | 555.38 | 778.30 |
| Less : Closing Stock | 300.59 | 555.38 |
| Variation in Stock | <u>254.79</u> | <u>222.93</u> |



Shri Kanha Stainless Limited

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CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

(Rs. In Lacs)

Note-21 MANUFACTURING EXPENSES

| | 31.03.2024 | 31.03.2023 |
|----------------------------------|---------------|---------------|
| Power & Fuel Expenses | 310.18 | 315.33 |
| Factory Wages & Allowances | 166.07 | 146.46 |
| Job Charges Paid | 8.99 | - |
| Carriage Inward | 3.89 | - |
| <u>Repairs & Maintenance</u> | | |
| Plant & Machineries | 27.28 | 13.13 |
| Others | 0.13 | 0.17 |
| | 516.54 | 475.09 |

Note 22 - EMPLOYEE BENEFITS EXPENSES

| | 31.03.2024 | 31.03.2023 |
|---|---------------|---------------|
| Salary & Allowances | 104.14 | 94.61 |
| Provision for Gratuity (Note No. 22.1) | 14.32 | 6.06 |
| Bonus | 5.87 | 7.12 |
| ESI/PF Employer Contribution | 6.49 | 5.39 |
| | 130.82 | 113.19 |

NOTE 23- FINANCE COSTS

| | 31.03.2024 | 31.03.2023 |
|----------------------------|---------------|---------------|
| Interest on Secured Loans | 129.53 | 136.96 |
| Interest paid on CC | 39.69 | 36.55 |
| Interest to Others | 90.62 | 37.26 |
| Interest on Unsecured Loan | 140.09 | 144.24 |
| Bank Charges & Commission | 16.01 | 16.58 |
| | 415.95 | 371.59 |

NOTE 24 OTHER EXPENSES

A) ADMINISTRATIVE EXPENSES

| | 31.03.2024 | 31.03.2023 |
|--------------------------------------|--------------|--------------|
| Audit Fees | 1.10 | 1.00 |
| Donation | 1.42 | 0.21 |
| Conveyance Exp. | 0.07 | 0.02 |
| Insurance Expenses | 10.04 | 11.04 |
| Maintenance Charges | 0.29 | 0.29 |
| Legal & Professional Expenses | 1.18 | 0.91 |
| Membership & Subscription | 0.03 | 0.15 |
| Rate, fees & Taxes | 0.09 | 1.92 |
| Late Fees | - | 0.15 |
| Telephone & Broadband Exp. | 0.19 | 0.19 |
| General & Miscellaneous Exp | 0.13 | 1.08 |
| Printing & stationary exp. | 1.05 | 0.17 |
| Postage and courier | 0.08 | 0.17 |
| Vehicle Running & Maintenance | 1.11 | 0.64 |
| Travelling Expense | - | 4.87 |
| Repair & Maintenance Exp. | 0.15 | 0.27 |
| Weightment Charges | 0.70 | 0.85 |
| Quality Test Expense | 0.06 | 0.08 |
| Electricity Expenses (Jaipur Office) | 0.13 | 0.11 |
| Round off | 0.00 | 0.00 |
| Written off | 2.12 | 1.12 |
| Loss on sale of fixed asset | 0.09 | - |
| Total (A) | 20.06 | 25.23 |

B) SELLING & DISTRIBUTION EXPENSES

| | | |
|-------------------------------|--------------|--------------|
| Business Promotion | - | 2.10 |
| Freight & Forwarding on Sales | 62.72 | 68.71 |
| Expenses against exports | 1.72 | 3.55 |
| Commission on Sales | 7.26 | 5.13 |
| Discount Allowed | 3.05 | 1.99 |
| Loading & Unloading Expenses | - | 0.22 |
| Total (B) | 74.74 | 81.70 |

Grand Total (A+B)



94.80 **106.92**

Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

31.03.2024 31.03.2023

NOTE 22.1 - Disclosure in term of AS-15 are as under

a) Defined benefit plan

The Employees Gratuity Scheme is a defined benefit Plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method is as under:-

Gratuity Liability

I Expenses recognised in the Statement of Profit & Loss for the year ended

| | | |
|----------------------------------|-------|------|
| 1 Current Service Cost | 6.62 | 4.15 |
| 2 Interest on obligation | 1.07 | 0.65 |
| 3 Expected return on plan assets | - | - |
| 4 Past Service Cost | - | - |
| 5 Net Actuarial(Gains)/Losses | 6.63 | 1.25 |
| Total expenses | 14.32 | 6.06 |

II Net Asset/(Liability) recognised in the Balance Sheet as at 31.03.2024

| | | |
|---|---------|---------|
| 1 Present value of Defined Benefit Obligation | 29.41 | 15.09 |
| 2 Fair value of plan assets | - | - |
| 3 Funded status[Surplus/(Deficit)] | (29.41) | (15.09) |
| 4 Net asset/(Liability) | (29.41) | (15.09) |

III Change in obligation during the year ended

| | | |
|--|-------|-------|
| 1 Present value of Defined Benefit Obligation at beginning of the year | 15.09 | 9.03 |
| 2 Current Service Cost | 6.62 | 4.15 |
| 3 Past Service Cost | - | - |
| 4 Interest Cost | 1.07 | 0.65 |
| 5 Plan amendment cost | - | - |
| 6 Actuarial(Gains)/Losses | 6.63 | 1.25 |
| 7 Benefits Payments | - | - |
| 8 Present value of Defined Benefit Obligation at the end of the year. | 29.41 | 15.09 |

IV Change in Assets during the year ended

| | | |
|--|---|---|
| 1 Plan assets at the beginning of the year | - | - |
| 2 Expected return on plan assets | - | - |
| 3 Contributions by Employer | - | - |
| 4 Actual benefits paid | - | - |
| 5 Actuarial Gains/(Losses) | - | - |
| 6 Plan assets at the end of the year | - | - |

V Actuarial Assumptions:

| | | |
|--|-----------|-----------|
| 1 Discount Rate | 7.08% | 7.25% |
| 2 Expected rate of return on plan assets | - | - |
| 3 Mortality | 2012-2014 | 2012-2014 |
| 4 Employee Turnover rate | 20.00% | 20.00% |
| 5 salary escalator | 7.00% | 7.00% |
| 6 Maximum limit | 20 | 20 |



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

NOTE 25 - Particulars of Payment To Auditors (Excluding Goods & Service tax)

| | 31.03.2024 | 31.03.2023 |
|-----------|-------------|-------------|
| Audit Fee | 1.10 | 1.00 |
| | <u>1.10</u> | <u>1.00</u> |

NOTE 26 - Earnings Per Share:

| | 31.03.2024 | 31.03.2023 |
|---|--------------|-------------|
| No. of Equity Shares (Weighted Average) | 870000.00 | 870000.00 |
| Profit After Tax | 226.97 | 72.02 |
| Earning Per Share (Basic & Dilutive) | <u>26.09</u> | <u>8.28</u> |
| Par Value Per Share | Rs. 10/- | Rs. 10/- |



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NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

Note 27 - Related Party Disclosures

Disclosures as required by Accounting Standard 18 "Related Party disclosures" are given below:

A) Names of related parties and nature of relationship where control exists :

NIL

B) Names of related parties with whom transactions have been entered into :

Name of Related Party

| | |
|-----------------------------------|-------------------------------------|
| Jai Bhagwan Agarwal | Director |
| Kavita Agarwal | Director |
| Shashank Agarwal | Director |
| Neha Agarwal | Spouse of Director |
| Ayush Agarwal | Director |
| Nav Bharat Tubes Limited | Director is Director of the company |
| Krypton Stainless Private Limited | Director is Director of the company |

C) Transactions with Related Parties

| | Amount 31.03.2024 | Amount 31.03.2023 |
|----------------------|----------------------|----------------------|
| Loan Taken | | |
| Jai Bhagwan Agarwal | 70.00 | - |
| Shashank Agarwal | 112.00 | - |
| Kavita Agarwal | 50.00 | 30.00 |
| Ayush Agarwal | 50.00 | 55.00 |
| Neha Agarwal | 42.00 | - |
| Total | 324.00 | 85.00 |
| Loan Repaid | | |
| Jai Bhagwan Agarwal | 133.00 | 67.00 |
| Shashank Agarwal | 68.00 | 5.00 |
| Kavita Agarwal | 105.00 | 67.00 |
| Neha Agarwal | 145.00 | - |
| Ayush Agarwal | 100.00 | 35.00 |
| Total | 551.00 | 174.00 |
| Interest Paid | | |
| Jai Bhagwan Agarwal | 12.14 | 16.69 |
| Kavita Agarwal | 15.22 | 17.06 |
| Shashank Agarwal | 4.01 | 4.31 |
| Neha Agarwal | 7.32 | 7.84 |
| Ayush Agarwal | 6.84 | 9.28 |
| Total | 45.53 | 55.18 |



Sale of Goods

Nav Bharat Tubes Ltd.

4,594.25 5,344.25

Krypton Sainless Private Limited

1,047.98 -

Total**5,642.23 5,344.25****Purchase of Raw Material**

Nav Bharat Tubes Ltd.

4,405.22 1,304.43

Krypton Sainless Private Limited

157.60 -

Total**4,562.82 1,304.43****Purchase of Services (Job Charges)**

Nav Bharat Tubes Ltd.

1.34 38.75

Total**1.34 38.75****Rent Received**

Krypton Sainless Private Limited

1.32 -

Total**1.32 -****Job Charges Paid**

Nov Bharat Tubes Private limited

8.99 -

Total**8.99 -****Director Remuneration**

Jai Bhagwan Agarwal

21.60 19.20

Shashank Agarwal

15.60 13.20

Total**37.20 32.40**

Note 28- Financials Ratios

| Particulars | Numerator | Denominator | 2023-24 | 2022-23 | % Variance | Reason for Variance of above 25% |
|---------------------------------|--|---|---------|---------|------------|---|
| Current Ratio | Current Assets | Current Liabilities | 1.15 | 1.18 | -2% | - |
| Debt-Equity Ratio | Total Debt | Shareholder's Equity | 8.93 | 10.71 | -17% | - |
| Debt Service Coverage Ratio | Earnings for debt service = Net profit after taxes + Non-cash operating expenses | Debt service = Interest & Lease Payments + Principal Repayments | 1.46 | 1.02 | 43% | During the year profit of the company increased |
| Return on Equity Ratio | Net Profits after taxes – Preference Dividend (if Any) | Average Shareholder's Equity | 46% | 21% | 119% | During the year profit of the company increased |
| Inventory Turnover Ratio | Cost of goods sold | Average Inventory | 12.04 | 9.79 | 23% | - |
| Trade Receivable Turnover Ratio | Net credit sales | Average Trade Receivable | 6.74 | 13.89 | -51% | Due to increase in receivable level |
| Trade Payable Turnover Ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | 8.03 | 11.20 | -28% | Due to increase in trade payable level |
| Net Capital Turnover Ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | 17% | 26% | -35% | Due to increase in working capital margin |
| Net Profit Ratio | Net Profit | Net sales = Total sales - sales return | 1.74% | 0.53% | 228% | During the year profit of the company increased |
| Return on Capital Employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 12.38% | 10.32% | 20% | - |



Shri Kanha Stainless Limited

(Formerly known as "Shri Kanha Stainless Private Limited")

CIN : U27109RJ2015PLC047890

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31.03.2024

NOTE 29 Disclosures as per amendments in Schedule III of Companies Act, 2013 with notification issued on 24th March 2021:

Information required against additional disclosures as per amendments in Schedule III of Companies Act, 2013 are as under:-

a. Title deeds of Immovable Property not held in name of the Company (Para a(ii)(XIII)(Y)(i))-

There are no immovable properties owned by the company whose title deeds are not held in its name.

b. Revaluation of Property, Plant & Equipment (Para a(ii)(XIII)(Y)(ii)) -

During the year under review the company has not revalued its property, plant & Equipment (Including right of use assets).

c. Loan & Advance made to promoters, directors, KMPs and other related parties (Para a(ii)(XIII)(Y)(iii))-

The Company has not provided any loans and advance to the parties covered under this clause

d. Intangible Assets under development (Para a(ii)(XIII)(Y)(v))- There are no intangible assets under development

e. Details of Benami property held (Para a(ii)(XIII)(Y)(vi))-

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder

f. Willful Defaulter (Para a(ii)(XIII)(Y)(viii))-

The company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

g. Relationship with struck off Companies (Para a(ii)(XIII)(Y)(ix))-

There are no transactions (Including Investment in Securities / Shares held by Struck off company & Other Outstanding balances) with companies struck off u/s 248 of the Companies Act 2013, or section 560 of the Companies At, 1956.

h. Registration of charges and satisfaction with Registrar of Companies (Para a(ii)(XIII)(Y)(x))-

There are no charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

i. Compliance with number of layers of companies (Para a(ii)(XIII)(Y)(xi)) -

The company has not made violation of requirements related to number of layers of companies as prescribed under clause 87 of Section 2 read with Companies (Restriction of number of Layers) Rules 2017.

j. Compliance with approved Scheme(s) of Arrangements (Para a(ii)(XIII)(Y)(xiii)) - Not Applicable

k. Utilization of Borrowed funds and share premium (Para a(ii)(XIII)(Y)(xiv)) -

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

l. Undisclosed Income (Para a(iii)(ix))-

Company has not surrendered or disclosed any transaction which was not recorded in the books of accounts as income during the year in the tax assessment under the Income Tax Act.

m. Details of Crypto Currency or Virtual Currency (Para a(iii)(xi))-

The company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.



Note 30 Contingent Liabilities, Commitments & Contingent Assets

1 Advance to Vendors include Rs.77,57,427 to "Yangzhou Mivi Import and Export Co. Ltd" for which the matter is under litigation.

Note 31 The company has only one primary reportable business segment i.e. Manufacturing & Trading of HR ,CR Coil & related items & only one Geographical Reporting Segment I.e. Domestic Market in India. As such disclosure as per Accounting Standard - 17 Segment Reporting Is NIL

Note 32 Previous Year Figures have been Regrouped/ Rearranged wherever necessary and figures have been rounded off to Lacs

For P. K. S. Co.

Chartered Accountants
(FRN 007007C)


(Piyush Kumar Singh)
Partner

M.No. 075922

Place: Jaipur

Date: 24.09.2024



For and on behalf of the Board
Shri Kanha Stainless Limited


(Jai Bhagwan Agarwal)
Director
DIN NO. 01575848


(Shashank Agrawal)
Director
DIN - 03542611


(Arzoo Mantri)
Company Secretary
Pan No. GRJPM7752R