

VMS TMT PRIVATE LIMITED

AUDIT REPORT

FINANCIAL YEAR 2022 – 2023

Audited by

M/s. SUNIL PODDAR & CO.

Chartered Accountants

1301, Addor Aspire, Nr. Jhanvi Restaurant,

Panjarapole , University Road,

Ambawadi, Ahmedabad – 380015

Phone : 079-48977222-23



Independent Auditor's Report

To the Members of VMS TMT Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of VMS TMT Private limited ('the Company'), which comprise the balance sheet as at 31st March 2023, the statement of profit and loss, including statement of other comprehensive income, cash flow statement and statement of changes in equity for the year ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the audit of Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 scepticism 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 Act, we are also responsible for expressing our opinion on whether the entity 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial year ended March 31st, 2023 and are therefore the key audit matters. We describe these matters in our auditors' 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 Act, we give in the "**Annexure A**" a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the companies (Indian Accounting Standards) Rules 2015 as amended.

(e) on the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 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 financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) In our opinion, the managerial remuneration for the year ended 31st March, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. As informed by the management, that there is no pending litigations which impacts on its financial position.
- ii. The Company is not required to make provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There was no amount which were required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (i) The management has represented that, to the best of its knowledge and belief, other than 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;

(ii) 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

(iii) Based on such audit procedures that we 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) contain any material mis-statement.

FOR, SUNIL PODDAR & CO.

Chartered Accountants

Firm Reg. No 110603W



[CA Harshil Lohia]

Partner

M. No. 192753

PLACE: AHMEDABAD

DATE: 21/08/2023

UDIN: 23192753 BGS TSM 5964

Annexure A to the Auditor's Report referred to in paragraph 1 our report of even date:

The Annexure referred to in Independent Auditor's Report of even date to the members of **VMS TMT Private Limited** on the financial statements of the company for the year ended 31st March, 2023, we report that:

- (i) (A) The Company has maintained the proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The company has maintained proper records showing full particulars of intangible asset.
- (b) The fixed assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) 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 revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us , the coverage and the procedure of such verification by the management is appropriate having regard to the size of the company and the nature of its operations. No discrepancies of 10% or more in aggregate of each class of inventories were noticed on such physical verification of inventories when compared with the books of accounts.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 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, which are in agreement with the books of account other than those as set out below.

Name of the Bank	Aggregate working capital limits sanctioned (Rs. In crores)	Nature of current assets offered as securities	Quarter ended	Amount disclosed as per monthly returns/statements (Rs. In crores)	Amount as per books of account (Rs. In crores)	Difference (Rs. In crores)	Reasons for difference
HDFC Bank	56.00		June 30, 2022	Stock: 27.93	26.98	0.06	
				Debtors: 27.04			



& SVC Bank		Refer Note Below		Creditors: 0.94	0.90	0.04	
				Sales: 229.46	229.52	(0.06)	
HDFC Bank & SVC Bank	56.00	Refer Note Below	September 30, 2022	Stock: 46.37			
				Debtors: 37.56	37.56	-	
				Creditors: 5.17	5.17	-	
				Sales: 161.06	161.06	-	
HDFC Bank & SVC Bank	56.00	Refer Note Below	December 31, 2022	Stock: 62.33			
				Debtors: 28.51	28.51	-	
				Creditors: 9.73	9.73	-	
				Sales: 250.09	250.09	-	
HDFC Bank & SVC Bank	56.00	Refer Note Below	March 31, 2023	Stock: 96.74			
				Debtors: 8.03	8.02	0.01	
				Creditors: 22.13	22.13	-	
				Sales: 241.40	241.40	-	

Note: Nature of current assets offered as securities:

HDFC Bank: First Pari Passu charge on stocks and receivables.

SVC Bank: First Pari Passu charge on books debts.

- (iii) During the year, the company has not made investment, provided any guarantee, or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties. Hence, clause 3(iii)(a) and 3(iii)(f) is not applicable to the company. However, the company has made investment in its partnership firms Yohan Enterprise for which no balance is outstanding for the year ended 31st March, 2023.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The company has not accepted any deposit or amounts which is deemed to be deposit. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for any of the products manufactured/ services rendered by the company. Hence reporting under clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, duty of excise, service tax, cess and other material statutory dues were in arrears as at 31st March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in clause (a) above as at 31st March, 2023 which have not been deposited with the appropriate authorities on account of any dispute.



- (viii) According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or other borrowings to any lender.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not been declared wilful defaulter by any bank of financial institution or government or any government authority.
- (c) The term loans have been applied for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate firm.
- (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 associate firm.
- (x) (a) Being a Private Limited company, it cannot raise money by the way of initial public offer or further public offer (including debt instruments) hence the clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (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, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us no whistle-blower complaints, if any, received during the year by the Company.



- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit reports of the Company issued till date, for the year under audit, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) (a) In our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) is not applicable.
- (c) According to the information and explanations provided to us during the course of audit, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.
- (xvii) The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We



further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Since the provisions of section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence the clause 3(xx) of the Order is not applicable.

(xxi) There are no Companies of which reports are included in the consolidated financial statements. Hence, reporting under clauses 3(xxi) of the Order is not applicable.

FOR, SUNIL PODDAR & CO.
Chartered Accountants
Firm Reg. No 110603W




[CA Harshil Lohia]
Partner
M. No. 192753

PLACE: AHMEDABAD
DATE: 21/08/2023
UDIN: 23192753B615TSM5964

Annexure - B to Independent Auditors' Report of even date on the Ind AS financial statement of the VMS TMT Private Limited ("the Company")

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 VMS TMT Private Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 with reference to these financial statements.



Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

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 Ind AS 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 IND AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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, adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR, SUNIL PODDAR & CO.

Chartered Accountants

Firm Reg. No 110603W



[CA Harshil Lohia]

Partner

M. No. 192753

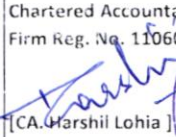



PLACE: AHMEDABAD

DATE : 21/08/2023

UDIN : 23192753B6STSM 5964

VMS TMT PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

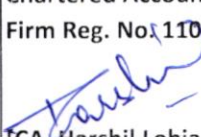


(Rs. In Lacs)

Particulars	Notes	Figure as at the end of current reporting period	Figure as at the end of the previous reporting period
(I) ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	2	7535.82	7076.30
(b) Capital Work in Progress		362.87	-
(c) Investment Property			
(d) Goodwill			
(e) Other Intangible Assets	2.1	1.04	1.20
(f) Intangible Assets Under Development			
(g) Biological Assets other than Bearer Plant			
(h) <u>Financial Assets</u>			
(i) Investments		-	-
(ii) Trade Receivables			
(iii) Loans			
(iv) Other Financial Assets	3	51.92	40.99
(i) Deferred Tax Assets (Net)			
(j) Other Non Current Assets	4	1572.53	48.82
Total Non-Current Assets		9524.21	7167.33
2 Current Assets			
(a) Inventories	5	10586.33	4343.12
(b) <u>Financial Assets</u>			
(i) Investments			
(ii) Trade Receivables	6	903.06	3180.44
(iii) Cash and Cash Equivalents	7	221.57	1.35
(iv) Bank Balance other than (iii) above			
(iv) Loans			
(iv) Others			
(c) Current Tax Assets (Net)	8	69.54	42.55
(d) Other Current Assets	9	1392.43	1014.29
Total Current Assets		13172.96	8581.77
Total Assets		22697.18	15749.10
(II) EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	10	1261.28	989.53
(b) Other Equity	11	1842.47	880.21
Total Equity		3103.75	1869.74
LIABILITIES			
1 Non-Current liabilities			
(a) <u>Financial Liabilities</u>			
(i) Borrowings	12	9403.90	7241.85
(ia) Lease Liabilities			
(ii) <u>Trade Payables</u>			
(A) total outstanding dues of MSME enterprises			
(B) total outstanding dues from others			
(b) Provisions			
(c) Deferred tax liabilities (Net)	13	333.44	200.19
(d) Other Non Current Liabilities			
Total Non-Current Liabilities		9737.34	7442.04
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	6865.76	4521.20
(ia) Lease Liabilities			
(ii) <u>Trade Payables</u>	15	2608.38	600.49
(A) total outstanding dues of MSME enterprises			
(B) total outstanding dues from others			
(iii) Other Financial Liabilities	16	30.45	145.12
(b) Other current liabilities	17	169.46	1052.55
(c) Provisions	18	182.00	117.92
(d) Current Tax Liabilities (Net)	19	-	-
Total Current Liabilities		9856.07	6437.31
Total Equity and Liabilities		22697.18	15749.10
Significant Accounting Policies and Notes to financial statements.	1		
For and on behalf of M/s. SUNIL PODDAR & COMPANY Chartered Accountants Firm Reg. No. 110603W  [CA. Harshil Lohia] Partner M. No. 192753 UDIN : 231927538651515964 Place: Ahmedabad Date: 21/08/2023		For and on behalf of VMS TMT Private Limited  [Manojkumar Jam] Director DIN : 02190018	 [Rishabh Singhi] Director DIN : 09342922
		Place: Ahmedabad Date: 21/08/2023	

VMS TMT PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(Rs. In Lacs)

Particulars	Notes	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
Revenue			
Revenue from Operations	20	88201.34	49372.50
Other Income	21	4.26	2.13
Total Revenue (I)		88205.61	49374.64
Expenses			
Cost of Materials Consumed	22	84699.73	37027.17
Purchases of Stock-In-Trade	23	1311.89	10597.22
Changes In Inventories	24	(6480.42)	(3103.44)
Employees Benefits Expense	25	903.93	481.02
Finance Costs	26	1291.88	561.86
Depreciation and Amortisation expense	27	356.52	184.43
Other Expenses	28	5539.53	2753.45
Total Expenses (II)		87623.07	48501.73
Profit Before Exceptional item and Tax (I)-(II)		-	-
Exceptional items		-	-
Profit Before Tax		582.54	872.90
<u>Tax Expense</u>		-	-
Current Tax		15.14	-
Deferred Tax (PL)		133.24	184.43
Profit for the period from continuing operations (III)		434.15	688.47
Profit for the period from discontinuing Operations		-	-
Tax Expense from discontinuing Operations		-	-
Profit for the period from discontinuing Operations (after tax)		-	-
Other Comprehensive Income / (Expenses)		-	-
Items that will not be reclassified to profit or loss		-	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income for the year (IV)		-	-
Total Comprehensive Income for the year (III)+(IV)		434.15	688.47
Earnings Per Equity Share (Face Value ` 10 each)			
Basic (In Rupees)		3.44	6.96
Diluted (In Rupees)		3.44	6.96
Significant Accounting Policies	1	-	-
For and on behalf of M/s. SUNIL PODDAR & COMPANY Chartered Accountants Firm Reg. No. 110603W		For and on behalf of VMS TMT Private Limited	
 [CA. Harshil Lohia] Partner M. No. 192753 UDIN : 23192753864STSM5964 Place: Ahmedabad Date: 21/08/2023		 [Manojkumar Jain] Director DIN : 02190018	 [Rishabh Singhi] Director DIN : 09342922
		Place: Ahmedabad Date: 21/08/2023	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

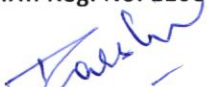
(Rs. In Lacs)

Particulars	Figure as at the end of current reporting period	Figure as at the end of previous reporting period
A Cash flow form operating activities		
Profit/(loss) before tax	582.54	872.90
Adjustment for		
Depreciation / Amortisation	356.52	184.43
Finance Cost	1291.88	561.86
Changes in Reserves	487.65	1.04
Deferred Taxes		(184.43)
Preliminary Expenses Written Off	0.37	0.37
Operating cash flow before working capital changes	2718.97	1436.18
Inventories	(6243.21)	(4239.15)
Trade Receivables	2277.37	(1445.09)
Non-Current Loans & Advances	(1524.08)	8.51
Current Loans & Advances, Current Taxes And Other Current Assets	(420.26)	(468.29)
Trade Payables	2007.89	583.89
Other Current Financial Liabilities	(114.67)	(234.79)
Other Current Liabilities	(883.09)	1006.20
Current Provisions	64.07	85.87
Cash generated from operations	(2117.01)	(3266.67)
Income taxes paid (net)	-	(184.24)
Net cash generated by operating activities	(2117.01)	(3082.43)
B Cash flow from investing activities		
Purchase of Property, Plant and Equipment	(1138.31)	(1815.93)
Investment in Fixed Deposits	(10.93)	(40.99)
Net cash used in investing activities	(1149.24)	(1856.92)
C Cash flow from financing activities		
Proceeds from Issue of Equity Shares	271.75	-
Share issue expenses	-	-
Proceeds/(Repayment) Of Current Borrowings	2344.55	3382.06
Proceeds/(Repayment) Of Non-Current Borrowings	2162.05	2119.60
Finance Cost	(1291.88)	(561.86)
	3486.48	4939.80
Net (decrease)/increase in cash & cash equivalents (A+B+C)	220.22	0.44
Cash & Cash Equivalents as at the beginning of the year	1.35	0.90
Cash and cash equivalents at end of period	221.57	1.35

For and on behalf of
M/s. SUNIL PODDAR & COMPANY

Chartered Accountants

Firm Reg. No. 110603W


[CA. Harshil Lohia]
Partner

M. No. 192753


UDIN : 23192753B61STSM5964

Place: Ahmedabad

Date: 21/08/2023



For and on behalf of
VMS TMT Private Limited


[Manojkumar Jain]
Director

DIN : 02190018


[Rishabh Singhi]
Director

DIN : 09342922

Place: Ahmedabad

Date: 21/08/2023

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

1. Corporate Information

VMS TMT Private Limited is a Private Limited Company, incorporated in India under the provisions of the Companies Act, 2013, having its registered office at 808/C Pinnacle Business Park, Corporate Road, Prahladnagar, Ahmedabad. The Company is engaged in the business of manufacturing of TMT Bars and Steel Items.

Significant accounting policies followed by the company:

1.1 Basis of preparation

(i) Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other accounting principal generally accepted in India.

(ii) Basis of Measurement

These financial statements prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair value by IND AS. The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Financial Statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All values are rounded off to the nearest rupees, unless otherwise indicated.

(iii) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (i) Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities
- (ii) Level 2: inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (iii) Level 3: inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-



assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(iv) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected. Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

1.2 The significant estimates and assumption are required in particulars for the following

(i) Property, plant and equipment.

This involves determination of the estimated useful life of the property, plant and equipment and intangible assets if any and the assessment as to which component of the cost may be capitalised. The useful life of the assets is based on the life as prescribed in schedule II to the Companies Act 2013 or based on the technical estimates, taking in to account the nature of the assets, estimated usages, expected residual value and operating conditions of the assets. The Management reviews its estimate of the useful lives of depreciable assets at each reporting dates, based on the expected utility of the assets.

(ii) Impairment of Non-Financial Assets.

Determining whether property, plant and equipment and other intangible assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a discounted cash flow model over the estimated useful life of the underlying assets or cash generating unit. Further, the cash flow projection is based on the estimates and assumption relating to expected revenue, operational performance of the assets, market price of the related product or services, inflation, terminal value etc. Which are considered by the management.

(iii) Income Taxes.

The companies tax jurisdiction in India, the significant judgements are involved in estimating budgeted profit for the purpose of the paying advances taxes, determining the provision for income tax, including amount of income tax excepted to be paid. The significant management judgement also required to determine the amount of deferred tax assets that can be recognised, based on timing and level of future taxable profit.



(iv) **Fair value measurement of the financial instruments.**

In estimating the fair value of the financial assets and financial liability, the company uses market observable data to the extent available. Where such level -1 inputs are not available, the company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. The judgement includes considerations inputs such as liquidity risk, credit risk and volatility. The changes in assumptions about these factors could affect the reported fair value of the financial instruments.

(v) **Classification of Assets, current and non-current.**

The assets or liability is classified as current, if it satisfies the any of the following condition.

- (i) The assets / Liability expected to be realised or paid in the company's normal operating cycle.
- (ii) The assets are intended for sales or consumption.
- (iii) The assets / liability held for the purpose of trade or business
- (iv) The Assets / liability is expected to be realised/ settled within 12 months after reporting period.
- (v) The assets are cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after reporting date.
- (vi) In case of liability, the company does not have an unconditional right to deter settlement of the liability for at least 12 months after the reporting date.

All other assets or liabilities are classified as non-current. Deferred Assets and Deferred Liability are classified as current assets or liability respectively.

For the purpose of current / non-current classification of assets and liabilities, the company has ascertained its normal operating cycle as 12 months. This is based on nature of the business and the time between the acquisition of assets or inventories for processing and their realisation in cash or cash equivalents.

1.3 Summary of significant accounting policies

1. Property, Plant and Equipment.

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.



Depreciation methods, estimated useful lives and residual value

Depreciation is provided using straight line method (SLM) as specified schedule II of the companies Act 2013. Depreciation on assets acquired / disposed-off during the year if any, is provided on pro-rata basis with reference to the date of addition / disposal. The estimated useful lives of assets are as under:

Class of assets	Useful Life
Building	30 Years
Plant & Machinery	20 Years
Electrification	10 Years
Furniture & Fixtures	10 Years
Office Equipment	5 Years
Vehicles	8 Years
Computers	3 Years
Computer Software	6 Years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Capital work in process

Expenditure related to and incurred during the implementation of capital project, to get the assets ready for intended use is shown under "capital work in process". The same is allocated to the respective items' property, plant and equipment on completion of construction / erection of the capital assets. The cost of assets not put to use before the year and capital inventory are disclosed under Capital work in process.

Impairment of Tangible Assets

The Company reviews at each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than it carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting period, there is an indication that there is change in the previously assessed impairment loss, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its



recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

2. Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower' except for Waste / Scrap which are valued at net realisable value. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out. 'Specific identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

3. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The company has only single business segment hence the detailed disclosure related to segment reporting is not required to be made.

4. Borrowings

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference shares is recognised in Statement of Profit and Loss as finance costs.

5. Borrowing costs

Borrowing cost directly attributable to the acquisition, construction of qualifying asset that necessarily takes a substantial period of time to get ready for its intended use, capitalised as part of cost of asset. The borrowing costs includes interest and transaction cost that a company incurs in connection with the borrowing of the funds. Other interest and borrowing costs are charged to Statement of Profit and Loss.

6. Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present



obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

7. Revenue recognition

The revenue from contract with customer is recognised upon transfer of control of promised product to the customer in an amount that reflect the consideration, which the company expect to receive in exchange of product. The revenue is measured based on the transaction price, which is the consideration, adjusted for discount and other incentives if any. The Amount of consideration to which the company expect to be entitled in exchange for transferring promised goods to a customer excluding amounts collected on behalf of third parties (Duties & Taxes on behalf of Government).

The specific recognition criteria from various steam of revenue are described as under:

- (i) Sales of Goods:
Revenue from sales of the goods is recognised when the control of the goods has been passed to the customers as per terms of agreement and there is no continuing effective control or managerial involvement with goods.
- (ii) Interest Income:
Interest income is accrued on a time basis, by reference to the principal outstanding amount and at the effective interest rate applicable, the future cash receipt through the expected life of the financial asset to that asset's carrying amount on initial recognition.

8. Trade Receivable

A receivable represents the company's right to an amount of consideration that is unconditional i.e., only passage of time required before payment of consideration is due.

The Expected credit loss is mainly based on the historical experience. The receivables are assessed on an individual basis for credit loss. The trade receivables are written of on cases-to-cases basis, if deemed not to be collectable on assessment and circumstances.

9. Employee benefits

a) Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund and Family Pension maintained with Regional Provident Fund Office are charged as an expense in the Statement of Profit and Loss as they fall due.

b) Defined Benefit Plans

Gratuity Fund

The company's liability towards gratuity to past employees is determined using the Projected Unit Credit Method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended



benefits become vested. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligations.

Provident Fund

Employees receive benefits from a provident fund, a defined contribution plan. The employee and employer each make monthly contributions to the plan equal to 12% of the covered employee's salary. The contribution is made to the Government's provident fund. However, during the year no such contribution has been made.

10. Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

b) Transactions and balances

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

11. Earnings Per Share

Basic earnings per share (EPS) is computed by dividing the profit or loss attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares, for the effects of all diluted potential equity shares.

12. Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Profit and Loss on a straight - line basis over the expected lives of related assets and presented within other income.



13. Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

14. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

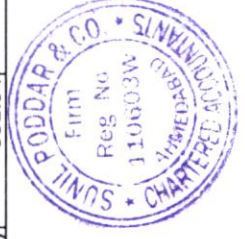


VMS TMT PRIVATE LIMITED

NOTE NO.: 2 : PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lacs)

	Gross Block			Depreciation / Amortisation			Net Block		
	As at 1st April, 2022	Additions	Deductions	As at 31st March, 2023	As at 1st April, 2022	Additions	Deductions	As at 31st March, 2023	As at 31st March, 2022
Current Year ended 31st March, 2023									
Tangible Assets									
Land	163.11	30.16	-	193.27	-	-	-	193.27	163.11
Building	2020.76	15.10	-	2035.86	84.84	64.26	(40.18)	1926.95	1935.92
Plant and Machinery	4514.05	614.76	-	5128.81	114.39	225.77	(0.05)	4788.69	4399.65
Furniture & Fixtures	23.72	-	-	23.72	1.12	2.25	(0.08)	20.42	22.60
Vehicle	33.63	57.43	-	91.07	1.90	6.25	-	82.91	31.73
Office Equipemnts	0.24	8.27	-	8.52	0.02	0.84	(0.00)	7.65	0.22
Computers	7.92	2.37	-	10.29	1.51	3.01	(0.00)	5.77	6.40
Electrification	539.35	47.23	-	586.59	27.37	53.46	(0.12)	505.87	511.97
Borewell	3.56	-	-	3.56	3.38	-	-	0.17	0.17
Weight Bridge	6.57	-	-	6.57	2.08	0.41	-	4.07	4.49
Total Tangible Assets (a)	7312.96	775.35	-	8088.31	236.65	356.29	(40.45)	7535.82	7076.30
Total Capital Work-in-Progress									
Plant & Machinery - CCM Division	-	257.12	-	257.12	-	-	-	257.12	-
Unallocated Expenses	-	105.75	-	105.75	-	-	-	105.75	-
Total Capital Work-in-Progress (b)	-	362.87	-	362.87	-	-	-	362.87	-
NOTE NO.: 2.1 : OTHER INTANGIBLE ASSETS									
Intangible Assets									
Accounting Software	1.42	0.07	-	1.50	0.21	0.23	0.00	1.04	1.20
Total Intangible Assets (c)	1.42	0.07	-	1.50	0.21	0.23	0.00	1.04	1.20
TOTAL (a+b+c)	7314.38	1138.31	-	8452.69	236.87	356.52	(40.45)	7899.75	7077.51



VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

(Rs. In Lacs)

NOTE NO.: 3 : OTHER FINANCIAL ASSETS

Sr.No.	Particulars	2022-23	2021-22
i	Fixed Deposits with Banks (Maturity beyond twelve months)	51.92	40.99
	Total	51.92	40.99

NOTE NO.: 4 : OTHER NON CURRENT ASSETS

Sr.No.	Particulars	2022-23	2021-22
i	Security Deposits	68.58	14.09
ii	Capital Advances for Capital Goods	1503.19	33.60
iii	Preliminary Expenses	0.75	1.12
	Total	1572.53	48.82

NOTE NO.: 5 : INVENTORIES

Sr.No.	Particulars	2022-23	2021-22
i	Raw Materials	420.74	752.11
ii	Finished Goods	9159.16	2873.55
iii	Stores and Spare parts	462.10	471.56
iv	Purchase in stock - Traded Goods	288.16	1.40
v	Mill Scale /Waste / Scrap (valued at net realisable value)	136.53	228.48
vi	Coal	119.62	15.99
	Total	10586.33	4343.12

(Valued at lower of cost or net realisable value, unless otherwise stated)

NOTE NO.: 6 : TRADE RECEIVABLES

Sr.No.	Particulars	2022-23	2021-22
i	Secured, Considered Good	-	-
ii	Unsecured, Considered Good	903.06	3180.44
	Less: Credit Impaired	-	-
		903.06	3180.44
Total		903.06	3180.44

Particulars	Outstanding for current year from due dates of payment					Total
	Less than 6 months	6 month to 1 year	1-2 Year	2-3 Years	More than 3 year	
Undisputed Trade Receivables	903.06	-	-	-	-	903.06
Undisputed Trade Receivables - Which have Significant Increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - Which have Significant Increase in Credit	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-



VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

Particulars	Outstanding for previous year from due dates of payment					Total
	Less than 6 months	6 month to 1 year	1-2 Year	2-3 Years	More than 3 year	
Undisputed Trade Receivables -	3180.44	-	-	-	-	3180.44
Undisputed Trade Receivables - Which have Significant Increase in Credit Risk	-	-	-	-	-	-
Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - Which have Significant Increase in Credit Risk	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-

NOTE NO.: 7 : CASH AND CASH EQUIVALENTS

Sr.No.	Particulars	2022-23	2021-22
i	Balances with Banks		
	- In Current Account	0.32	-
	- In CC Account	6.70	-
	- In FD Account	185.52	-
ii	Cash on Hand	29.02	1.35
	Total	221.57	1.35

NOTE NO.: 8 : CURRENT TAX ASSETS (NET)

Sr.No.	Particulars	2022-23	2021-22
	TDS Receivables	84.68	42.55
	Less: Provision for Current Tax during the year	15.14	-
	Total	69.54	42.55

NOTE NO.: 9 : OTHER CURRENT ASSETS

Sr.No.	Particulars	2022-23	2021-22
i	Advance for Expenses / Goods	69.04	21.45
ii	Prepaid Expenses	19.92	5.35
iii	Loans & Advance to Staff	1.82	-
iv	Balances with Revenue Authorities	1301.64	987.48
	Total	1392.43	1014.29

NOTE NO.: 10 : EQUITY SHARE CAPITAL

Sr.No.	Particulars	2022-23	2021-22
10.1	Authorised		
	2,00,00,000 (PY 1,00,00,000) Equity Shares of Rs. 10 each	2000.00	1000.00
		2000.00	1000.00
10.2	Issued, Subscribed and Fully Paid Equity Shares		
	1,26,12,886(PY 98,95,386) Equity Shares of Rs. 10 each fully paid	1261.28	989.53
	Total	1261.28	989.53

1. The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share held.

2. The Board of Directors has not recommended any dividend for the year ended 31st March, 2023.



STATEMENT OF CHANGE IN EQUITY
VMS TMT PRIVATE LIMITED

(1) Current Reporting Period				
(Rs. In Lacs)				
Balance at the Beginning of the current year	Change in Equity Share Capital due to Prior Period Error	Resated Balance at the beginning of the current reporting period	Change in Equity Share Capital during the current year	Balance at the end of the current reporting period.
	989.53	-	271.75	1261.28

(2) Previous reporting Period				
(Rs. In Lacs)				
Balance at the Beginning of the Prevoius Reporting Period	Change in Equity Share Capital due to Prior Period Error	Resated Balance at the beginning of the Previous reporting period	Change in Equity Share Capital during the Previous year	Balance at the end of the previous reporting period.
	633.10	-	356.43	989.53

(1) Current Reporting period														
(Rs. in Lacs)														
Particulars	Share Application Pending Allotment	Equity Component of Compund Financial Instruments	Capital Reserve	Securities Premium	Other Reserve (Specify Nature)	Retained Earning	Debt Instruemnts through other compehensive Income	Equity Instruemnts through other compehensive Income	Effective portation of cash flow hedges	Revaluation Surplus	Exchange Difference on transalting the financial statement of the the foreign operation	Other Items of other compreehensive income (specify Nature)	Money Received against share warrant	Total
Balance at the Beginning of the current reporting period	-	-	-	-	-	880.21	-	-	-	-	-	-	-	880.21
Change in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restatement balance at the start of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	11.78	-	11.78
Total Comprehensive Income for the current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	434.15	-	-	-	-	-	-	-	434.15
Any other Change (to be Specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Securities premium on fresh issue of shares	-	-	-	516.32	-	-	-	-	-	-	-	-	-	516.32
Balance at the end of the current reporting period	-	-	-	516.32	-	1314.36	-	-	-	-	-	11.78	-	1842.47

(2) Previous Reporting period														
(Rs. in Lacs)														
Particulars	Share Application Pending Allotment	Equity Component of Compund Financial Instruments	Capital Reserve	Securities Premium	Other Reserve (Specify Nature)	Retained Earning	Debt Instruemnts through other compehensive Income	Equity Instruemnts through other compehensive Income	Effective portation of cash flow hedges	Revaluation Surplus	Exchange Difference on transalting the financial statement of the the foreign operation	Other Items of other compreehensive income (specify Nature)	Money Received against share warrant	Total
Balance at the Beginning of the current reporting period	-	-	-	-	-	190.69	-	-	-	-	-	-	-	190.69
Change in accounting policy or prior period errors	-	-	-	-	-	1.04	-	-	-	-	-	-	-	1.04
Restatement balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Retained Earnings	-	-	-	-	-	688.47	-	-	-	-	-	-	-	688.47
Any other Change (to be Specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the current reporting period	-	-	-	-	-	880.21	-	-	-	-	-	-	-	880.21

For and on behalf of
M/s. SUNIL PODDAR & COMPANY
Chartered Accountants
Firm Reg. No. 110603W



[CA. Harshil Lohia]
Partner
M. No. 192753
UDIN : 23192753 0457975924
Place: Ahmedabad
Date: 21/8/2023

For and on behalf of
VMS TMT Private Limited

[Manojkumar Jain]
Director
DIN : 02190018

[Rishabh Singh]
Director
DIN : 09342922

Place: Ahmedabad
Date: 21/08/2023.

VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

3. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

10.3 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31.03.23		As at 31.03.2022	
	No. of shares	Amount (Rs. In Lacs)	No. of shares	Amount (Rs. In Lacs)
At the beginning of the period	9,895,386	989.53	9,895,386	989.53
Add: New issue during the period	2,717,500	271.75	-	-
Outstanding at the end of period	12,612,886	1261.28	9,895,386	989.53

10.4 Details of shareholders holding more than 5% shares in the Company

	Percentage Holding As at		No. of Shares As at	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Equity Shares				
VMS Industries Limited	0.00%	12.13%	-	1,200,000
Manojkumar Jain	32.61%	41.56%	4,112,510	4,112,510
Sangeeta Jain	8.08%	10.29%	1,018,510	1,018,510
Rishabh Sunil Singhi	32.36%	36.02%	4,081,866	3,564,366
Varun Jain	26.96%	0.00%	3,400,000	-
Total	100.00%	100.00%	12,612,886	9,895,386

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

10.5 Shares held by promoters at the end of the year

Promoters' Names	As at 31.03.2023		As at 31.03.2022		% Changes
	No. of shares	% of total shares	No. of shares	% of total shares	
Manojkumar Jain	4,112,510	32.61%	4,112,510	41.56%	-8.95%
Sangeeta Jain	1,018,510	8.08%	1,018,510	10.29%	-2.22%
Rishabh Sunil Singhi	4,081,866	32.36%	3,564,366	36.02%	-3.66%
Varun Jain	3,400,000	26.96%	-	0.00%	26.96%

NOTE NO.: 12 : BORROWINGS

Sr.No.	Particulars	2022-23	2021-22
i	Term Loans (Secured) - From Banks	4389.40	3714.36
ii	Other Loans (Unsecured) - Intercorporate Borrowings	5014.49	3527.48
	Total	9403.90	7241.85

12.1 Nature of Security and Terms of Repayment for Long Term secured borrowings:

A. Primary: Details of Securities

- i Facility: Term Loan from HDFC Bank Pari Passu Charge over hypothecation of existing as well as proposed Plant & Machinery of the company
- ii Facility: Term Loan from SVC Bank Pari Passu Charge over hypothecation of existing as well as proposed Plant & Machinery of the company
- iii Facility: Vehicle Loan Hypothecation of Vehicle purchased.



VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

B. Collateral:

- i Facility: Term Loan from HDFC Bank & SVC Bank Co. Op. Ltd. Pari passu charge over equitable mortgage of Factory land admeasuring 40170 sq mtrs, and Building thereof, situated at Survey No. 214 (old No.206) & 236 (old No.237 Paiki), Village Bhayla, Taluka Bavla, District Ahmedabad – 382220

C. Personal Guarantees:

Personal guarantee of following parties:

- i. Mr. Manojkumar Jain
ii. Mrs. Sangeeta Jain
iii. Mr. Varun Jain
iv. Mr. Risabh Sunil Singhi
v. Purnima Sunil Singhi
vi. Sunny Sunil Singhi

D. Corporate Guarantee:

- i. Aditya Ultra Steel Limited

12.2 Terms of Repayment for Long Term secured

HDFC Bank : Term Loan - I	To be repayable in 72 Monthly installments commencing from October 2021
HDFC Bank : Term Loan - II	To be repayable in 72 Monthly installments commencing from February 2023
HDFC Bank : Term Loan - III	To be repayable in 72 Monthly installments commencing from June 2022
SVC Bank : Term Loan	To be repayable in 72 Monthly installments commencing from December 2021
SVC Bank : GECL	To be repayable in 36 Monthly installments commencing from April 2024
ICICI Bank: Term Loan	To be repayable in 72 Monthly installments commencing from December 2023
HDFC Bank : GECL I	To be repayable in 36 Monthly installments commencing from September 2021
HDFC Bank : GECL II	To be repayable in 36 Monthly installments commencing from March 2024
HDFC Bank: Vehicle Loan I	Installment of Rs.14619/- commencing from November 2021
HDFC Bank: Vehicle Loan II	EMI of Rs.17740/- commencing from November 2021
HDFC Bank: Vehicle Loan III	EMI of Rs.30075/- commencing from November 2020
HDFC Bank: Vehicle Loan IV	EMI of Rs.71,136/- commencing from January 2023
ICICI Bank: Vehicle Loan	EMI of Rs.37485/- commencing from November 2021

12.3 Terms of repayment for Related Parties and Other loans & advances

From Related Parties	To be repayable on demand
From Other Parties	To be repayable on demand

Notes :

Out of the above loan amount outstandings Installments falling due during 01.04.2022 to 31.03.2023 have been grouped under "Current Maturities of Long Term Debt".

NOTE NO.: 13 : DEFERRED TAX LIABILITIES (NET)

Sr.No.	Particulars	2022-23	2021-22
	Deferred Tax Liability		
	Balance at Beginning	200.19	15.75
	Add : - Deferred tax liability on :-		
	- Depreciation of current Year	133.24	184.43
		333.44	200.19
	Deferred Tax Assets		
	- Unabsorbed Depreciation	-	-
		-	-
	Total	333.44	200.19



VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

NOTE NO.: 14 : BORROWINGS

Sr.No.	Particulars	2022-23	2021-22
i	Repayable on Demand (Secured) - From Bank(s)	5491.70	3133.01
ii	Other Loans (Unsecured) - Intercorporate Borrowings	808.00	859.99
iii	Current Maturity of Long Term Debts	566.06	528.20
	Total	6865.76	4521.20

Note: Above Working Capital Loan are secured by hypothecation of Company's Stock and Receivables and Collateral Security of Factory Land & Building and Plant and Machineries.

NOTE NO.: 15 : TRADE PAYABLES

Sr.No.	Particulars	2022-23	2021-22
i	Creditors for Goods	2213.79	368.91
ii	Creditors for Expenses	354.77	170.14
iii	Creditors for Transport	39.81	61.43
	Total	2608.38	600.49

Note:-

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

Particulars	Outstanding for current year from due dates of payment				
	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-
Others	2608.38	-	-	-	2608.38
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding for previous year from due dates of payment				
	Less than 1 Year	1-2 Year	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	-
Others	600.49	-	-	-	600.49
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

NOTE NO.: 16 : OTHER FINANCIAL LIABILITIES

Sr.No.	Particulars	2022-23	2021-22
i	Interest Accrued but not due	22.63	20.59
ii	Sundry Creditor for Capital Expenditure	7.82	124.53
	Total	30.45	145.12

Note:-

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

NOTE NO.: 17 : OTHER CURRENT LIABILITIES

Sr.No.	Particulars	2022-23	2021-22
i	Advance from Customers	104.65	989.86
ii	Statutory Liabilities	64.81	62.68
	Total	169.46	1052.55



VMS TMT PRIVATE LIMITED

Notes forming integral part of Balance Sheet as on March 31, 2023

NOTE NO.: 18 : PROVISIONS

Sr.No.	Particulars	2022-23	2021-22
i	Provision for Expenses	182.00	117.92
	Total	182.00	117.92

NOTE NO.: 19 : CURRENT TAX LIABILITIES (NET)

Sr.No.	Particulars	2022-23	2021-22
	Provision for Current Tax	15.14	-
	Less: Advance Tax and Pre-paid Taxes	15.14	-
	Total	-	-

Note : The Company has opted to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for taxation and remeasured its deferred tax liabilities based on the rate prescribed in the said Section as introduced by the Taxation Laws (Amendment) Ordinance, 2019.



VMS TMT PRIVATE LIMITED

Notes forming integral part of Profit & Loss Account for the year ended March 31, 2023

(Rs. In Lacs)

NOTE NO.: 20 : REVENUE FROM OPERATIONS

Sr. No.	Particulars	2022-23	2021-22
i	Sale of Products		
	Net Sales	88261.45	49469.21
	Less: Rate Difference	(8.65)	(4.32)
	Less: Weight Shortage	(0.50)	-
	Less: Sales Return	(50.95)	(92.38)
	Total	88201.34	49372.50

NOTE NO.: 21 : OTHER INCOME

Sr. No.	Particulars	2022-23	2021-22
i	Interest Income	4.26	1.55
ii	<u>Other income</u>		
	Share of Profit from Firm	-	0.57
	Total	4.26	2.13

NOTE NO.: 22 : COST OF MATERIALS CONSUMED

Sr. No.	Particulars	2022-23	2021-22
i	Opening Stock Raw Material	752.11	-
	Add: Purchases , Including Incidental Expenses	84368.36	37779.28
	Total	85120.47	37779.28
	Less: Closing Stock	420.74	752.11
	Total	84699.73	37027.17

NOTE NO.: 23 : PURCHASES OF STOCK-IN-TRADE

Sr. No.	Particulars	2022-23	2021-22
i	PURCHASES STOCK IN TRADE		
	Purchases of Goods	1311.89	10597.22
	Total	1311.89	10597.22

NOTE NO.: 24 : CHANGES IN INVENTORIES

Sr. No.	Particulars	2022-23	2021-22
i	Opening Inventories		
	Finished Goods	2874.96	-
	Waste/Scrap	228.48	-
		3103.44	-
ii	Closing Inventories		
	Finished Goods	9447.33	2874.96
	Mill Scale /Waste/Scrap	136.53	228.48
		9583.87	3103.44
	Total	(6480.42)	(3103.44)



VMS TMT PRIVATE LIMITED

Notes forming integral part of Profit & Loss Account for the year ended March 31, 2023

(Rs. In Lacs)

NOTE NO.: 25 : EMPLOYEES BENEFITS EXPENSE

Sr. No.	Particulars	2022-23	2021-22
i	Salaries, Wages and Bonus Expenses	878.97	459.11
ii	Staff Welfare Expenses	24.95	21.91
	Total	903.93	481.02

NOTE NO.: 26 : FINANCE COSTS

Sr. No.	Particulars	2022-23	2021-22
i	Bank & Other Financial Charges	14.93	11.43
ii	<u>Interest Expenses</u>		
	Banks-Working Capital	444.02	183.82
	Banks- Term-Loan	377.06	159.99
	Unsecured Loans	423.28	189.26
	Other Interest	32.56	17.33
	Total	1291.88	561.86

NOTE NO.: 27 : DEPRECIATION AND AMORTISATION EXPENSE

Sr. No.	Particulars	2022-23	2021-22
i	Depreciation on Property, Plant & Equipment	356.29	184.24
ii	Amortisation Of Intangible Assets	0.23	0.19
	Total	356.52	184.43

NOTE NO.: 28 : OTHER EXPENSES

Sr. No.	Particulars	2022-23	2021-22
i	Manufacturing Expenses		
	Coal & Gas Expenses	1740.72	859.40
	Stores Consumed	120.37	50.05
	Electricity Expenses	1393.81	603.40
	Diesel Expenses	2.70	2.91
	Factory Expenses	6.58	33.90
	Insurance Expense - PM	4.03	3.42
	Oxyzen and LPG Expenses	7.71	9.41
	Repair & Maintenance - Factory Shed	1.91	7.66
	Repair & Maintenance - Others	2.08	0.98
	Repair & Maintenance - Plant & Machinery	16.03	0.45
	Testing Expenses	1.72	0.94
	Water Charges	2.25	1.03

ii	Administration, Selling and Distribution Expenses		
	Computer, Internet & Software Expenses	1.46	1.20
	Postage & Telegram/Communications	0.45	0.26
	Fees & Subscription Expenses	5.36	3.04
	Stationery & Prinitng	4.05	1.50
	Kasar & Vatv Expenses	0.96	0.48
	Traveling, Conveyance & Vehicle Expenses	5.47	6.22
	Office Expenses	1.43	0.85
	Legal & Professional Charges	37.16	25.20
	Rent, Rates & Taxes	14.89	8.54
	Income Tax Expenses	-	3.10



VMS TMT PRIVATE LIMITED

Notes forming integral part of Profit & Loss Account for the year ended March 31, 2023

(Rs. In Lacs)

	CSR Expense	7.00	-
	Auditor's Remuneration	-	-
	a) Statutory Audit Fees	1.10	0.90
	b) Tax Audit Fees	-	-
	Insurance Expenses	6.95	0.47
iii	Selling & Distribution Expenses		
	a) Advertisement Expenses	82.83	0.24
	b) Commision On Sales	2.75	7.02
	c) Royalty On Sales	659.13	384.12
	d) Freight & Cartage On Sales	1350.54	719.51
	Travelling Expenses	27.57	16.64
	Preliminary Expenses Written Off	0.37	0.37
		29.73	-
	Prior Period Expense	0.05	-
	Other Expenses	0.19	0.13
	Total	5539.53	2753.45



DISCLOSURE TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2023:

1. The details of contingent liabilities outstanding as on the date of Balance Sheet.

Name of Bank	Date of issue	Expiry date	(Rs in lacs)
HDFC Bank Ltd	19.10.2021	19.10.2024	248.61

2. Accounting for Taxes on Income:

- (a) Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.
- (b) The Company has opted to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for taxation and re-measured its deferred tax liabilities based on the rate prescribed in the said Section as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The provision of current taxes has been made in the account as per the provisions of Income Tax Act, 1961.

3. Related Party Disclosures:

List of related parties with whom transaction have taken place during the year along with nature and volume of transactions.

Key Managerial Personnel	1. Mr. Manojkumar Jain, Director 2. Mr. Risabh Sunil Singhi, Director 3. Mr. Varun Manojkumar Jain, Director
Entities in which Directors / Relative of Directors are interested:	1. VMS Industries Limited 2. Yohan Enterprise 3. Aditya Ultra Steel Limited 4. Nishchay Consultancy

Nature of Transaction	(Rs. In lacs)	
	2022-23	2021-22
Rent Paid	6.00	7.08
Interest paid	92.29	232.83
Loan Taken	3831.97	1611.95
Loan Repaid	2498.09	1611.95
Sales	-	38.70
Salary/Remuneration	60.00	-
Purchase – Legal Service	2.50	7.50



5. There is no inflow or outflow of foreign currency during the year and the company has not entered into foreign exchange transactions during the year.

6. Earnings Per Share:

(Rs. In lacs)

Particulars	2022-23	2020-2021
Profit Available to Equity Share Holders (A)	434.15	688.47
Number of Equity Share at the beginning	98,95,386	98,95,386
Shares allotted during the year	27,17,500	-
Total Number of Equity Shares outstanding	1,26,12,886	98,95,386
Total Weighted Average Equity Shares outstanding at the end of the year (B)	1,26,12,886	98,95,386
Basic Earnings Per Share (A/B) (In Rs.)	3.44	6.96
Diluted Earnings Per share (In Rs.)	3.44	6.96



ADDITIONAL REGULATORY INFORMATION

1. Accounting Ratios

Sr No	Ratio Name	Numerator	Denominator	F.Y 22-23	F.Y 21-22	Variance
1	Current Ratio	Current Asset	Current Liability	1.34	1.33	0.26%
2	Debt-Equity Ratio	Total Outside Liability	Shareholders Fund	5.24	6.29	-16.68%
3	Debt-Service Coverage Ratio	Earnings Available for Debt Service (EBDITA)	Total Debt Service	1.14	1.92	-40.28%
4	Return On Equity Ratio	Net Profit After Tax	Equity Shareholders Fund	17.46%	45.15%	-61.33%
5	Inventory Turnover Ratio	Cost Of Goods Sold	Average Inventory	11.82	22.20	-46.79%
6	Trade Receivable Turnover Ratio	Credit Sale	Average Accounts Receivable	43.20	20.09	115.06%
7	Trade Payables Turnover Ratio	Credit Purchase	Average Accounts Payables	53.40	156.79	-65.94%
8	Net Capital Turnover Ratio	Sales	Working Capital	24.39	23.02	5.92%
9	Net Profit Ratio	Net Profit	Sales	0.49%	1.39%	-64.70%
10	Return On Capital Employed	Earnings Before Interest and Tax	Capital Employed	9.51%	10.37%	-8.30%
11	Return On Investment	Income from Investments	Investments	N.A	N.A.	N.A

Reasons for Variance above 25%

- A. Debt-Service Coverage Ratio: The ratio has decreased on account of lower profitability and higher interest cost incurred during the year.
- B. Inventory Turnover Ratio: With substantial increase in turnover of the company during the year, the aforesaid ratio has improved during the year.
- C. Trade Receivable Turnover Ratio: The following ratio has improved on account of higher realization from the receivables during the year.
- D. Trade Payable Turnover Ratio: The aforesaid ratio has increased on account of higher credit period allowed to the company by its suppliers.



- E. Return on Equity and Net Profit Ratio: The following ratios have decreased due on account of lower profitability during the year as compared to previous year.
2. Company has not entered in to transactions or amount due / from Companies which Struck-Off either under section 248 of the Act or under section 560 of Companies Act, 1956.
 3. The provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company.
 4. No undisclosed Income is voluntarily disclosed under any scheme identified by Income tax authorities under any tax assessments years under provision of the Income Tax Act.
 5. The Company has neither traded nor invested in crypto currency during the financial year.
 6. No Proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).
 7. The Company do not have charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 8. The Company is not declared as willful defaulter by any bank or Financial Institution or other lender during the financial year.
9. **Utilization of Borrowed funds and Share Premium**
- a. During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries The confirmations of all the balances outstanding as on the reporting date with all the customers, suppliers, unsecured borrowings, deposits and loans and advances are subject to confirmation with books of the counter parties.



OTHER DISCLOSURES FORMING PART OF THE STANDALONE IND AS FINANCIAL STATEMENTS

1. Financial Instruments – Disclosure

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

(i) Capital management

The Company's objective when managing capital is to:

- Safeguard its ability to continue as going concern so that the company is able to provide maximize return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The company board of directors reviews the capital structure on a regular basis. As part of this review, the board considers cost of capital, risk associated with each class of capital requirements and maintenance of adequate liquidity.

Disclosures

This section gives an overview of the significance of financial instruments for the company and provides additional information on balance sheet item that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognized in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes.

(i) Categories of Financial Instruments

(Rs. In lacs)

Particulars	Current Year	Previous Year
Financial Assets (Measured at Amortized Cost)		
- Trade & Other Receivable	903.06	3180.44
- Cash & Cash Equivalents	221.58	1.35
- Other Bank Balances	-	-
- Loans	-	-
- Other Financial Assets	51.93	40.99
- Investments	-	-
Total	1,176.57	3222.79



(Rs. In lacs)

Particulars	Current Year	Previous Year
Financial Liabilities (Measured at Amortized Cost)		
- Borrowings	16,269.68	11,767.17
- Trade Payable	2,608.39	600.50
- Other Financial Liabilities	30.46	145.13
Total	18,908.53	12,512.80

The carrying amount of current financial assets and liabilities as at the end of each year presented approximate the fair value because of their short-term nature. The trade receivables, trade payables, borrowings, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

(ii) Fair value measurements

This note provide information about how the company determines fair value of various financial assets. Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements approximates their fair values.

(iii) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs are other than quoted price included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs are not based on observable market data. Fair values are determined in whole or in part using a valuation model based on the assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data

2. The Company did not have any long-term contracts, including derivatives contract for which there were any material foreseeable losses.

3. Financial Risk Management Framework

The company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade and other receivables, receivables from government authorities, security deposits and cash and cash equivalents that derive directly from its operations. The company also holds investments. The corporate treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include



market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Corporate Treasury function reports quarterly to the Board of Directors of the company for monitoring risks and reviewing policies implemented to mitigate risk exposures.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk includes loan and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. All such transactions are carried out within the guidelines set by the Board of Directors and Risk Management Committee. There have been no significant changes to the company's exposure to market risk or the methods in which they are managed or measured.

Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The company's exposure to currency risk relates primarily to the company's operating activities and borrowings when transactions are denominated in a different currency from the company's functional currency. The company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum 12-month period for hedges of forecasted sales and borrowings.

Price Risk

The Company's investments in listed securities, mutual funds, other funds and debentures are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the price risk through diversification and by placing limits on individual and total equity instruments. Reports on the portfolio are submitted to the Company's senior management on a regular basis.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

Liquidity risk

i. Maturities of financial liabilities

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted contractual cash flows of financial liabilities based on the earliest date on which the company can be required to pay.



ii. **Liquidity risk management**

The company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Chief Financial Officer of the company is responsible for liquidity risk management who has established an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

4. Previous year figures have been regrouped, whenever necessary to confirm to current year classification.

For and on behalf of
M/s. SUNIL PODDAR & COMPANY
Chartered Accountants
Firm Reg. No. 110603W

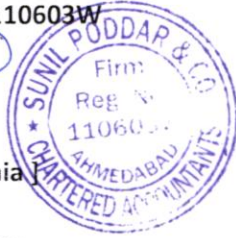

[CA Harshil Lohia]
Partner

M. No. 192753

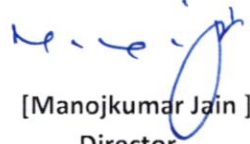
Place: Ahmedabad

Date: 21/08/2023

UDIN: 23192753B61STSM5964



For and on behalf of
VMS TMT Private Limited


[Manojkumar Jain]
Director

DIN : 02190018

Place: Ahmedabad

Date: 21/08/2023


[Rishabh Singhi]
Director

DIN : 09342922