



NOWELCO INDUSTRIES PVT. LTD

(ELECTRODES DIVISION)

DIRECTOR'S REPORT

REGISTERED OFFICE :
TF-32, THIRD FLOOR,
MILLENIUM PLAZA, G.E. ROAD,
RAIPUR - 492 001. (C.G.)
Telefax : 0771-4055119

To,
The Members of
Nowelco Industries Private Limited

Your Directors are please to present the 24th Annual Report together with the audited financial statement of the Company for the financial year ended on 31st March, 2023.

1. FINANCIAL RESULTS:

(Rupees In Lakhs)

Particulars	Year ended 31 st March, 2023	Year ended 31 st March, 2022
Turnover	1,129.55	850.06
Profit/ (Loss) before taxation	[6.49]	5.26
Less: Tax Expenses [Deferred tax]	[0.51]	[0.64]
Profit/ (Loss) after taxation	[5.98]	5.90
Add: Balance B/F from the previous year	[77.21]	[83.11]
Balance Profit/ (Loss) C/F to the next year	[83.19]	[77.21]

2. REVIEW OF PERFORMANCE:

During the year Revenue from operations was Rs.1,129.55 Lakhs as compared to previous year of Rs.850.06 Lakhs, the company has incurred loss of Rs. 5.98 Lakhs.

3. DIVIDEND

In order to conserve the resources of the company, your Directors do not recommend any dividend for the year under review.

4. AMOUNT TRANSFERRED TO RESERVES

The Board of the company do not wish to transfer any amount to Reserves.

5. NUMBER OF BOARD MEETING & ATTENDANCE

Five [5] meetings were held during the financial year 2022 - 2023, dates and attendance details:

Sr. No	Date of meeting	Total No. of Directors present	No. of Directors attended	% of attendance
1	24/06/2022	3	3	100
2	16/09/2022	3	3	100
3	21/09/2022	3	3	100
4	21/12/2022	3	3	100
5	19/03/2023	3	3	100

"Money Grows on Tree Recycle Paper"



6. CORPORATE GOVERNANCE

The company has been following best Corporate Governance practice, the management strives to protect the interest of all stakeholders in most transparent and fair manner.

7. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92 (3) of the Act and Rule 12 of the Companies (Management and Administration), Rules 2014 Company shall place copy of the Extract of Annual Return for F.Y. 2022 – 2023 on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report.

The Company doesn't have a website.

8. HOLDING COMPANY

The Company is a subsidiary Company of Diffusion Engineers Limited (CIN-U99999MH2000PLC124154).

9. PARTICULARS OF LOAN, GURANTEES & INVESTMENTS UNDER SECTION 186

There were no transactions related to loans, guarantees and investments under Section 186 of the Companies Act, 2013.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All the related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. Pursuant to Section 134 (3) (h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there were no transactions to be reported under Section 188 (1) of the Companies Act, 2013

11. AUDITORS

At the AGM held on 27th September, 2022, Mr. Devendra Ghate, Chartered Accountant, (Membership No - 160445), Nagpur were appointed as Statutory Auditor of the Company for a period of five (5) consecutive years, and the Boards of Directors of the Company be and are hereby authorized to fix their remuneration for the said period and reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties. As per the provisions of Section 139 of the Act, they have confirmed that they are not disqualified from continuing as Auditor of the Company.

12. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give

a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit / loss of the Company for that period;

- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13.ACKNOWLEDGEMENT

Your Directors place on record their gratitude to government authorities, Bankers and all stakeholders for the assistance, co - operation and encouragement they extended to the Company. Your directors also wish to place on records their sincere thanks and appreciation to Employees at all levels for continuing support and unstinting efforts in ensuring an excellent all-around operational performance.

**For and on behalf of the Board of Directors
Nowelco Industries Private Limited**

NOWELCO INDUSTRIES PVT. LTD.


DIRECTOR

**Prashant Garg
Director
DIN - 00049106
3, Chaitriya, Pawanbhumi
Somalwada, Nagpur - 440 025**

**Date: -28th June, 2023.
Place: Nagpur.**



INDEPENDENT AUDITORS' REPORT

To,
The Members of:
Nowelco Industries Pvt. Ltd.,
Raipur.

Report on the Financial Statements

We have audited the accompanying financial statements of **Nowelco Industries Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2023 and the Statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.





An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, and its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

As required by Section 143 (3) of the Act, we report that:

- we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- in our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
- the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred as above.
- On the basis of written representations received from the directors as on 31st March 2023, and 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.

Place: Nagpur

Date: 28-06-2023

UDIN: 23160445BGXBLB7882



DEVENDRA GHATE
Chartered Accountant

Proprietor
(Mem. No. 160445)



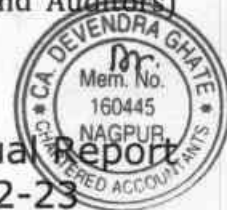
STATEMENT REFERRED TO IN PARAGRAPH ABOVE OF MY REPORT OF EVEN DATE

1. a) i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
ii) The Company is not having any intangible assets as on the date.
- b) According to the information and explanations given to me, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in my opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties held by the company are in the name of the company.
- d) The Company has not revalued its property, Plant and Equipment (Including right to use) or intangible assets during the year ended 31st March 2023
- e) There are no proceedings initiated or are pending against the company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
2. a) As explained, the inventories have been physically verified by the management at reasonable intervals during the year. In my opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- b) The Company has not been sanctioned, any time during the year, working capital limits in excess of five crores, in aggregate, from banks or financial institutions on the basis of security of current assets.
3. The Company has not made any investments, 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 during the year and accordingly, the requirement to report on clause 3(iii) is not applicable to the Company.
4. In our opinion & 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.
5. The company has not accepted any public deposits.
6. The company is not required to maintain Cost Records as per the provisions of companies Act. 2013.



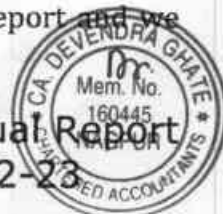


7. a) According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales-Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and GST which are outstanding as at 31.03.2023 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 outstanding dues of Income Tax, Sales Tax, GST, Custom Duty, Excise Duty, Service Tax or Value Added Tax that have not been deposited on account of any disputes.
8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company
9. a) According to the information and explanations given to me the company has not defaulted in repayment of dues to a financial institution or bank.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority
- c) During the year the company has not applied for any term loan.
- d) According to the information and explanations given to me, no funds raised on long-term basis have been used for short term investment and vice a versa
- e) 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 subsidiaries, associates or joint ventures. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company and hence not reported upon
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures r associate companies.
10. a) The company has not raised any money by way of public issue
- b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year under audit.
11. a) According to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.





- c) The Company is not required to make and does not have Whistle Blower Policy. Accordingly, the requirement to report on clause 3(xi)(c) is not applicable to the Company
12. The Company is not a Nidhi Company, Hence the requirement of items (xii) of paragraph 4 is not applicable to the company.
13. a) According to the information and explanations given to us and based on our examination of the records of the company, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Financial Statements, as required by the applicable accounting standards
14. a) The company is having internal Audit system which is commensurate with the size of Company and the nature of its business
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
15. 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.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3(xvi) is not applicable to the Company.
17. The Company has incurred cash losses of Rs. 1,84,436/- in the current year. The carry forward business loss till preceding year is Rs. 41,32,655/- and carry forward unabsorbed depreciation is Rs. 26,33,014/-.
18. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
19. On the basis of the financial ratios disclosed in No 26(xvii), to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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

20. a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
- b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
21. According to the information and explanations given to me, there not have been any qualifications or adverse remarks from the respective auditors during the year.

Place: Nagpur

Date : 28-06-2023

UDIN: 23160445BGXBLB7882



DEVENDRA GHATE
Chartered Accountant

Devendra Ghate
Proprietor
(Mem. No. 160445)



M/S. NOWELCO INDUSTRIES PVT. LTD., RAIPUR (C.G.)

NOTES OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS FORMING PART OF STATEMENTS OF ACCOUNTS AS ON 31.03.2023

A. SIGNIFICANT ACCOUNTING POLICIES:

1. BASIS OF ACCOUNTING:

The Company follows the mercantile system of accounting. The accounts are prepared on historical cost basis, as a going concern, and are consistent with generally accepted accounting principles.

Significant items of Income & Expenditure are accounted for on accrual basis unless otherwise specifically stated.

Some other revenue expenses, the benefit from which is to accrue over an enduring length of time, are treated as Deferred Revenue Expenditure and appropriate portion thereof has been charged to Profit & Loss Account.

2. REVENUE RECOGNITION:

Revenue from the sale of goods is recognized upon passage of title to the customers which generally coincides with their delivery.

3. FIXED ASSETS & DEPRECIATION:

Fixed Assets are stated at cost net of CENVAT / GST, rebates, less accumulated depreciation except Land & Site Development which is stated at cost.

Depreciation is provided on Written Down Value Method under Schedule II of Companies Act, 2013.

4. INVENTORIES:

Inventories are valued as follows: -

a) Finished Goods	-	At Cost
b) Raw Material & Packing Material	-	At Cost

5. PROVISION FOR CURRENT AND DEFERRED TAX

Provision for current tax is not made by the company during the year as company is having losses during preceding financial years. Deferred tax resulting from "timing differences" between taxable and accounting income is accounted for using the tax rates that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable / virtual certainty that the asset will be realized in future.

6. MISCELLANEOUS EXPENDITURE:

Rs. 4400 was incurred during the year as miscellaneous expenditure which is reflected in Note 22.

7. CONTINGENT LIABILITIES:

Contingent Liabilities are generally not provided for in the books of account. It was informed that the company does not foresee any contingent liability.

8. GRANTS/SUBSIDIES:

Capital Investment subsidy received under the Central/State Investment incentive scheme is credited to Capital Investment Subsidy A/c under Reserve and Surplus and treated as Part of





shareholders funds.

B. NOTES ON ACCOUNTS:

9. There is no unsecured loan during the current financial Year.
10. Cash in hand as on 31.03.2023 could not be physically verified hence I have relied on the certificate from the management of the Company in this matter.
11. As per information and explanation given to me, there are no prior period items and change in accounting policies which affects the Balance Sheet and Profit & Loss Account materially.
12. On the basis of information available, the company does not owe sum exceeding Rs. 1.00 Lacs or interest as on 31st March 2023 for more than 30 days to any Small-Scale Industrial Undertaking. Since, the status of the suppliers cannot be exactly ascertained reporting in this regard is made on oral information received.
13. In the opinion of the board, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and provision for all known liabilities is made in the accounts.
14. As explained to me, no provision for gratuity is made in the accounts as none of the employees have completed the qualifying period of service.
15. Balances of all the Sundry Debtors, Sundry Creditors are subject to Confirmation.
16. The closing stock has been valued as taken and certified by the management.
The valuation of finished goods is made at cost
17. Managerial Remuneration was paid during the year.
18. a) Previous year figures have been regrouped / rearranged wherever considered necessary.
b) Figures in brackets, as shown above, indicate previous year figures.

Signature to Notes '1' to '18'

For and on behalf of the Board of Directors of
Nowelco Industries Private Limited

Prashant Garg
Director
DIN :- 00049106

Nitin Garg
Director
DIN :- 08558736

As per my Report of even date
attached

DEVENDRA GHATE
Chartered Accountant
Proprietor
(Mem. No. 160445)



UDIN : 23160445BGXBLB7882
Date : 28-06-2023

(All Amounts in Lakhs)

NOWELCO INDUSTRIES PRIVATE LIMITED
BALANCE SHEET AS ON 31ST MARCH 2023


PARTICULARS	As at March 31, 2023			As At March 31, 2022	
	NOTES			₹	₹
EQUITY AND LIABILITIES					
Shareholder's funds					
(a) Share Capital	3	124.56		124.56	
(b) Reserves and Surplus	4	(81.69)	42.86	(75.71)	48.85
Share application money pending allotment					
Non-current liabilities					
(a) Long-term borrowings	5			-	
Current Liabilities					
(a) Short term borrowings	6	49.46		49.04	
(b) Trade payables	7			-	
total outstanding dues of micro and small enterprises		28.93		1.66	
total outstanding dues of creditors other than micro and small enterprises		122.88		76.17	
(c) Other current liabilities	8	171.36		108.21	
(d) Short term provisions	9	10.69	383.32	10.84	245.93
TOTAL			426.18		294.77
ASSETS					
Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		101.17		101.21	
(ii) Intangible assets			101.17		101.21
(b) Deferred tax assets (net)			8.71		8.20
Current assets					
(a) Inventories	11	113.43		54.90	
(b) Trade receivables	12	95.24		83.23	
(c) Cash and Cash equivalents	13	1.02		0.51	
(d) Short-term loans and advances	14	106.62	316.30	46.72	185.36
TOTAL			426.18		294.77
Contingent Liabilities					
Significant accounting policies and notes to accounts					

As per our report of even date

For and on behalf of the Board of Directors of
Nowelco Industries Private Limited


DEVENDRA GHATE
(Chartered Accountants)
Membership Number: 160445
Place : Raipur
Date : 28/06/2023
UDIN : 23160445BGXBLB7882




Prashant Garg
Director
DIN :- 00049106
Place : Raipur
Date : 28.06.2023


Nitin Garg
Director
DIN :- 08558736

(All Amounts in Lakhs)


NOWELCO INDUSTRIES PRIVATE LIMITED

AUDITED STATEMENT OF PROFIT & LOSS FOR THE PERIOD 31ST MARCH 2023

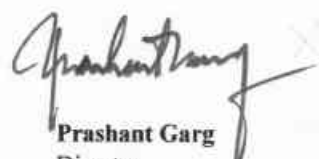
PARTICULARS	NOTES NO	As at March 31,2023		As At March 31, 2022	
		₹	₹	₹	₹
i Revenues from operations	15	1,129.55		850.06	
ii Other income	16	0.66		0.63	
iii Total Revenue			1,130.21		850.68
iv Expenses					
Cost of material consumed	17	1,018.30		738.75	
Direct Expenses	18	83.90		65.32	
Changes in inventories	19	(12.90)		(0.95)	
Employee benefit expenses	20	13.13		12.65	
Finance costs	21	5.23		3.16	
Depreciation expenses and amortisation expenses	10	4.65		4.76	
Others expenses	22	24.40		21.74	
Total expenses			1,136.71		845.43
Profit before exceptional and extraordinary items and tax			(6.49)		5.26
vi Prior Period Items			-		-
vii Profit before income tax			(6.49)		5.26
viii Tax expenses:					
Current income tax				-	
Short / (Excess) Provision for Income Tax				-	
Deferred income tax		(0.51)	(0.51)	(0.64)	(0.64)
Profit for the period			(5.98)		5.90
Earnings per equity share:					
Basic			(0.48)		0.47
Diluted			(0.48)		0.47

As per our report of even date

For and on behalf of the Board of Directors of
Nowelco Industries Private Limited


DEVENDRA GHATE
 (Chartered Accountants)
 Membership Number: 160445
 Place : Raipur
 Date : 28/06/2023
 UDIN : 23160445BGXBLB7882




Prashant Garg
 Director
 DIN :- 00049106
 Place : Raipur
 Date : 28.06.2023


Nitin Garg
 Director
 DIN :- 08558736

(All Amounts in Lakhs)

NOWELCO INDUSTRIES PRIVATE LIMITED					
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2023					
	PARTICULARS	AS At March 31, 2023		As At March 31, 2022	
		₹	₹	₹	₹
A.	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net Profit before tax		(6.49)		5.26
	Adjustments for :				
	Bad Debts Written off				
	Write Back				
	Deffered Tax	0.51		0.64	
	Depreciation	4.65		4.76	
	Dividend on Investments				
	Interest and Finance Charges	5.23		3.16	
	Interest Income				
	Loss / (Surplus) on Sale of Fixed Assets / Investments (Net)				
	Inter Company Stock Reserve				
	CSR				
			10.38		8.56
	Operating Profit before Working Capital changes		3.89		13.82
	Adjustment for :				
	Inventories	(58.53)		(21.99)	
	Trade Receivables	(12.00)		7.44	
	Other receivables	(59.90)		(7.12)	
	Trade Payables & Other Liabilities	136.97		8.63	
			6.54		(13.04)
	Cash generated from Operations		10.44		0.78
	Direct Taxes Paid		(0.51)		(0.64)
	Net Cash Flow from Operating Activities (A)		9.93		0.14
B.	CASH FLOW FROM INVESTING ACTIVITIES:				
	Inflow / (Outflow) on account of :				
	Dividend on Investments	-		-	
	Profit/(loss) on sale of Investments				
	Interest Income				
	(Purchases) / Sales of Fixed Assets (Net)	(4.61)		(0.79)	
	(Purchases) Capital W.I.P				
	(Purchases) / Sales of Investments (Net)				
	Net Cash Flow from Investing Activities (B)		(4.61)		(0.79)
C.	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds / (Repayment) from/of Secured Loans	0.42		3.41	
	Interest and Finance Charges	(5.23)		(3.16)	
	Dividend paid (including tax on dividend)				
	Net Cash Flow from Financing Activities (C)		(4.81)		0.24
D.	FOREIGN EXCHANGE TRANSLATION RESERVE		-		-
	Net Increase / (Decrease) in Cash and Cash Equivalents [A+B+C+D]		0.51		(0.41)
	Cash and Cash Equivalents as at the beginning of the year	0.51		0.91	
	Cash and Cash Equivalents as at the end of the year	1.02		0.51	
			0.51		(0.41)



Reconciliation to Cash and Bank Balances given in Schedule 6:			
Cash and Bank Balance as at the year end		1.02	0.51
Less:			
Balances in Fixed Deposit accounts kept as security for Overdraft Facilities and Bank Guarantee with the bankers		-	-
Cash and Cash Equivalent as at the year end		1.02	0.51


Previous year figures have been re-grouped, re-classified and re-arranged wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors of
Nowelco Industries Private Limited


DEVENDRA GHATE
(Chartered Accountants)
Membership Number: 160445
Place : Raipur
Date : 28/06/2023




Prashant Garg
Director
DIN :- 00049106
Place : Raipur
Date : 28.06.2023

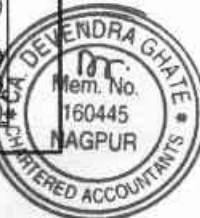

Nitin Garg
Director
DIN :- 08558736

NOWELCO INDUSTRIES PRIVATE LIMITED
ANNEXURE ATTACHED TO THE FORM 3CD AS ON 31ST MARCH 2023

ANNEXURE A
FIXED ASSETS
PARTICULARS OF DEPRECIATION ALLOWABLE AS PER INCOME TAX ACT, 1961

Sr. No.	Description Of Assets/Block of Assets	Rate Of Depreciation (%)	W.D.V.as on 01.04.2022	Additions during the year		Deletion	Total Amount	Depreciation during the period		W.D.V.as on 31.03.2023
				On Or Before 30th Sept.	After 30th Sept.			On Or Before 2nd Oct.	for the year	
	Block A		19,74,320	-	-	-	19,74,320	-	-	19,74,320
1	Factory Land	0%	19,74,320	-	-	-	19,74,320	-	-	19,74,320
	Block B		10,91,413	-	-	-	10,91,413	-	1,09,141	9,82,272
1	Factory Building	10%	10,09,210	-	-	-	10,09,210	-	1,00,921	9,08,289
2	Furniture & Fixture	10%	43,213	-	-	-	43,213	-	4,321	38,892
3	Electrical Fittings	10%	38,990	-	-	-	38,990	-	3,899	35,091
	Block C		5,81,882	4,36,540	24,600.00	-	10,43,022	-	1,54,610	8,88,412
1	Plant & Machinery	15%	3,18,611	4,36,540	24,600.00	-	7,79,751	-	1,15,118	6,64,633
2	Electrical Installation	15%	24,845	-	-	-	24,845	-	3,727	21,118
3	Tools & Implements	15%	59,372	-	-	-	59,372	-	8,906	50,466
4	Air Conditioners	15%	1,424	-	-	-	1,424	-	214	1,210
5	Electrical Equipments	15%	1,70,172	-	-	-	1,70,172	-	25,526	1,44,646
6	Cooler	15%	1,312	-	-	-	1,312	-	197	1,115
7	Mobile Phone	15%	1,391	-	-	-	1,391	-	209	1,182
8	Gas Cylinder	15%	649	-	-	-	649	-	97	552
9	Gas Water Heater	15%	692	-	-	-	692	-	104	588
10	Submersible Pump	15%	3,414	-	-	-	3,414	-	512	2,902
	Block D		13,358	-	-	-	13,358	-	5,343	8,015
1	Computer	40%	13,358	-	-	-	13,358	-	5,343	8,015
			36,60,973	4,36,540	24,600.00	-	41,22,113	-	2,69,094	38,53,019

Depreciation as per IT	2,69,094
Depreciation as per Companies Act	4,64,756
Difference	(1,95,662)
Tax @ 26%	(50,872)
Deferred Tax Assets	(50,872)
DTA due to 43B (Leave Encashment)	-
Total DTA	(50,872)
Opening Balance (DTA / DTL)	(8,20,150)
Closing Liability as on 31.03.2023 (Net DTA)	(8,71,022)



NOTES TO ACCOUNTS					
NOWELCO INDUSTRIES PRIVATE LIMITED					
PARTICULARS		₹	₹	₹	₹
NOTE No -3 SHARE CAPITAL					
		As At March 31,2023		As At March 31, 2022	
AUTHORISED					
15,00,000 Equity Shares of Rs 10/- each			1,50,00,000		1,50,00,000
ISSUED SUBSCRIBED & PAID UP			124.56		124.56
12,45,550 Equity shares of Rs 10/- each					
			124.56		124.56

Note 3.1 : Reconciliation of number of shares outstanding is set out below:

Particulars			
Equity shares at the beginning of the year (In Nos.)		12,45,550	12,45,550
Add: Shares issued during the current financial year		-	-
Equity shares at the end of the year (in Nos.)		12,45,550	12,45,550

Note 3.2 : The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

Note 3.3 : There is no fresh issue or buyback of shares during the year.

Note 3.4 : The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

Note 3.5 : There is no change in the number of shares outstanding at the beginning and at the end of the year.

Note 3.6 : There is no change in the pattern of shareholding during the year. It is same as the last year.

Shares held by promoters at the end of the year 31st March 2023					% Change during the year
Sr. No.	Promoter Name		No. of Shares	% of total shares	
1	M/s Diffusion Engineers Ltd.		685510	55.04%	
2	M/S.Diffusion super Conditioning Solution		150000	12.04%	
3	Mr. Prashant Garg		139400	11.19%	
4	Mrs. Chitra Garg		14040	1.13%	
5	Dr. Nitin Garg & Dr. Renuka Garg		11400	0.92%	
6	N. K. Garg (H.U.F.)		25200	2.02%	
7	Mr. Anup Chatterjee		3800	0.31%	
8	Mrs. Marion Bush		90800	7.29%	
9	Dr.Nitin Garg		125400	10.07%	
		Total	12,45,550	100.00%	

Shares held by promoters at the end of the year 31st March 2022					% Change during the year
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7	Mr. Anup Chatterjee		3800	0.31%	
8	Mrs. Marion Bush		90800	7.29%	
9	Dr.Nitin Garg		125400	10.07%	
		Total	12,45,550	100.00%	



NOTE No. -4 RESERVES AND SURPLUS

	As At March 31,2023		As At March 31, 2022	
Capital Investment Subsidy		1.50		1.50
Profit & Loss Account				
Opening Balance	(77.21)		(83.11)	
statement of profit & loss	(5.98)		5.90	
	(83.19)		(77.21)	
Closing Balance		(83.19)		(77.21)
		(81.69)		(75.71)

NOTE No. -6 SHORT TERM BORROWINGS

	As At March 31,2023		As At March 31, 2022	
SECURED LOANS				
From Canara bank				
Overdraft (Secured against book debts & hypothication of Stock)	49.06		49.04	
ICICI Bank Ltd				
Overdraft (ODD) (Secured against Fixed Deposits)	0.41		-	
		49.46		49.04
		49.46		49.04

Note 6.1 : The company has unutilised working capital limit from various banks of Rs. 45.79 lakhs as on 31.3.2023 (Previous Year 31.3.2022 Rs. 36.24 lakhs)

NOTE No. -7 TRADE PAYABLES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Sundry Creditors:				
Total outstanding dues of micro and small enterprises	28.93		(1.66)	
dues of other than micro and small	122.88		(76.17)	
		151.81		(77.84)
		151.81		(77.84)

Note 7.1 : Steps have been taken to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2021, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act, is not expected to be

NOTE No. - 8 OTHER CURRENT LIABILITIES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Dealer Security Deposit Received	1.25		0.250	
Advance Received from Related Parties	162.69		98.25	
Other Liabilities(including Duties & Taxes)	7.42		9.71	
		171.36		108.21
		171.36		108.21

NOTE No. - 9 SHORT TERM PROVISIONS

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Provision for Expenses		10.69		10.84
		10.69		10.84



NOTE No. -11 INVENTORIES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Raw Materials	94.99		49.36	
Work in Progress	1.24		1.05	
Finished goods	17.21	113.43	4.49	54.90
		113.43		54.90

NOTE No. -12 TRADE RECEIVABLES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
(Unsecured, considered good)				
Outstanding for a period exceeding six months	24.31		23.93	
Other Debts	70.93	95.24	59.30	83.23
		95.24		83.23

NOTE No. -13 CASH AND CASH EQUIVALENT

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Balances with Scheduled Banks				
In Current Accounts	0.87		0.40	
In Deposit Accounts - Principal & Accrued Interest		0.87		0.40
Cash in Hand	0.15	0.15		0.11
		1.02		0.51

NOTE No. - 14 SHORT TERM LOAN AND ADVANCES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Loans and advances to related parties				
<u>Advances with Government Authorities</u>				
CGST RECEIVABLE UNDER RCM	0.08		0.08	
SGST RECEIVABLE UNDER RCM	0.08		0.08	
CGST 9%	0.09			
IGST	2.92			
SGST 9%	0.09			
Advance Income Tax & TDS	14.53		13.86	
VAT & CST Sales Tax	12.12		12.12	
		29.90		26.14
<u>Other Short term loans & advances</u> (Unsecured & considered good)				
Security Deposits Recoverable	13.42		10.99	
Advance To Supplier	57.42		5.06	
Advance For Capital Assets	0.25		0.25	
Staff Advance	0.71		0.06	
Advance to others	4.92		4.23	
		76.72		20.59
		106.62		46.72



NOTE No. -15 REVENUES FROM OPERATIONS

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Sale of Products & Services				
Sales (Manufacturing)	1,129.55		850.06	
Less: Returns		1,129.55		850.06
Less:- Excise Duty				
		1,129.55		850.06

NOTE No. - 16 OTHER INCOME

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Commission Received				
Interest Received CSEB Deposit		0.24		0.10
Freight / Loading Charges Recovered		0.17		0.48
Pradhan Mantri Garib Kalyan Yojna PF				
Interest Received on Income Tax Refund		0.03		0.01
Miscellaneous Income		-		0.04
Exchange Fluctuations		0.22		
Packing and forwarding		0.00		
		0.66		0.63

NOTE No. -17 COST OF MATERIAL CONSUMED

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Raw Material Consumed				
Opening Stock	49.36		28.39	
Add: Purchases	1,063.93		759.72	
	1,113.29		788.11	
Less: Closing Stock	94.99	1,018.30	49.36	738.75
		1,018.30		738.75

NOTE No. -18 DIRECT EXPENSES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Wages Paid		27.47		26.91
Lab Expenses				
Carriage Inward & Clearing Charges		12.84		10.91
Job Work		0.06		0.01
Power & Fuel		32.32		27.48
Import Expenses		5.15		
Custom Duty & Social Welfare Surcharge		6.05		
		83.90		65.32

NOTE No. -19 CHANGE IN INVENTORIES

PARTICULARS	As At March 31,2023		As At March 31, 2022	
Closing Stock				
Work in Progress	1.24		1.05	
Finished Goods	17.21		4.49	
	18.45		5.54	
Less: Opening Stock				
Work in Progress	1.05		0.54	
Finished Goods	4.49		4.05	
	5.54		4.59	
Change in Inventories		12.90		0.95
		12.90		0.95



NOTE No. -20 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	As At March 31,2023	As At March 31, 2022
Salaries & Bonus & Ex-gratia	9.35	- 8.72
Company's Contribution to PF, ESIC & Others	0.41	- 0.35
Labour Welfare Fund	0.03	- 0.03
Director Remuneration	3.00	- 3.00
Staff Welfare	0.33	- 0.55
	13.13	12.65

NOTE No. - 21 FINANCE COST

PARTICULARS	As At March 31,2023	As At March 31, 2022
Bank Interest (o.d. 78551250000238)	3.47	2.54
Bank Charges	1.70	0.58
Other Interest (TDS/GST)	0.06	0.05
	5.23	3.16

NOTE No. - 22 OTHER COST

PARTICULARS	As At March 31,2023	As At March 31, 2022
Consultancy Charges	0.37	0.34
Factory Expenses	0.03	0.12
Loading Unloading	0.21	0.20
Filling Fees	0.05	0.03
Registraion Charges (GEM Portal)		0.10
ISO Certification Charges	0.08	0.10
Misc Expenses	0.04	0.01
Rates & Taxes(Excise paid and availed)	0.02	0.02
Security Charges	1.97	2.09
Insurance	0.39	0.56
Postage, Telegram, Telex & Telephone	0.31	0.28
Printing & Stationery	0.15	0.32
Travelling Expenses	4.43	2.87
Office Expenses	0.04	0.04
<u>Repairs & Maintenance:</u>		
Machinery :		
Electrical	0.17	0.04
Mechanical	0.71	1.12
Others	0.00	0.00
Legal & Professional Charges	0.61	0.51
Pooja, Diwali , Gift Expenses & Donation	0.37	0.28
Audit Fees	0.20	0.20
Carriage Outward & Handling Charges	10.70	8.56
Licence Fees (BIS, Pollution Control & Factory Licence)	0.82	2.01
Write off account	0.06	
Discount & Rate Difference	0.11	0.06
Tally renewal charges	-	0.11
overriding commission	0.01	0.01
VAT Paid	0.02	
GST Paid	0.02	0.01
Service Tax Paid		0.21
Guest House expenses	0.59	0.47
Incentive Expenses	1.00	0.60
Round off	0.00	0.00
Society Maintenance Exp	-	0.48
Late Delivery Charges	0.02	
Salesd Promotion Expenses	0.02	
Testing Charges	0.55	
CST Paid	0.25	
Entry Tax Paid	0.02	
Boiler Renewal Fee	0.03	
Audit Expenses	0.06	
Medical Expenses	0.00	
TOTAL	24.40	21.74



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

NOTE 23 Related Party Disclosures :

A. List of Related Parties :
(As certified by the Company)

I. Key Management Personnel

Mr. Prashant Garg
Mr. Nitin Garg
Mrs. Neelu Garg

II. Holding Company

Diffusion Engineering Ltd

B. Transactions with Related Parties :

Nature of transaction	(In Lakhs.)	
	Holding Company FY 2022-23	Holding Company FY 2021-22
TRADE PAYABLE As On 31.03.2023 Diffusion Engineering Ltd	162.69	98.25
SALES	524.03	309.50
EXPENSES		
Purchases	41.88	28.37
Total Debit Note received towards expenses	60.04	10.35

NOTE 20.1 Figure in brackets represent Previous Year Figures

NOTE 21 Previous Year's figures have been reworked / regrouped / rearranged / reclassified, wherever necessary to make them comparable with the current year.

For and on behalf of Board of Directors



PRASHANT GARG
DIRECTOR
DIN : 00049106
Place : Raipur
Date :



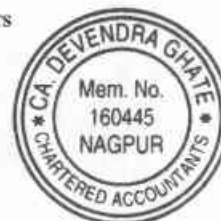
NITIN GARG
DIRECTOR
DIN : 08558736

As per our Report of even date attached.

For DEVENDRA GHATE
CHARTERED ACCOUNTANTS



DEVENDRA GHATE
PROPRIETOR
M. No. 160445



NOWELCO INDUSTRIES PRIVATE LIMITED

Note 10 Fixed assets

A.	Tangible assets	Gross block									
		Balance as at 1 April, 2022	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign currency exchange differences	Borrowing cost capitalised	Other adjustments	Balance as at 31 March, 2023
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1	Land Freehold	19,74,320	-	-	-	-	-	-	-	-	19,74,320
2	Buildings Own use	42,89,180	-	-	-	-	-	-	-	-	42,89,180
3	Plant and Machinery	1,75,22,862	4,61,140	-	-	-	-	-	-	-	1,79,84,002
4	Furniture and Fixtures	2,72,025	-	-	-	-	-	-	-	-	2,72,025
5	Electrical Installation	24,47,860	-	-	-	-	-	-	-	-	24,47,860
6	Air Conditioner	25,800	-	-	-	-	-	-	-	-	25,800
7	Computers	2,25,336	-	-	-	-	-	-	-	-	2,25,336
8	Office Equipment	48,525	-	-	-	-	-	-	-	-	48,525
	Total	2,68,05,908	4,61,140	-	-	-	-	-	-	-	2,72,67,048
	Previous year	2,67,26,932	-	-	-	-	-	-	-	-	2,67,26,932



Note 10 Fixed assets (contd.)

A	Tangible assets	Accumulated depreciation and impairment							Net block		
		Balance as at 1 April, 2022	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Eliminated on reclassification as held for sale	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance as at 31 March, 2022	Balance as at 31 March, 2023	Balance as at 31 March, 2022
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
1	Land Freehold			-	-	-	-	-	19,74,320	19,74,320	
2	Buildings Own use	30,96,143	1,13,379	-	-	-	-	32,09,522	10,79,658	11,93,037	
3	Plant and Machinery	1,06,87,764	3,37,116	-	-	-	-	1,10,24,880	69,59,122	68,35,098	
4	Furniture and Fixtures	2,61,690		-	-	-	-	2,61,690	10,335	10,335	
5	Electrical Installation	23,57,165	7,962	-	-	-	-	23,65,126	82,734	90,695	
6	Air Conditioner	24,829	-	-	-	-	-	24,829	971	971	
7	Computers	2,09,343	6,300	-	-	-	-	2,15,643	9,693	15,993	
8	Office Equipment	48,347	-	-	-	-	-	48,347	178	178	
	Total	1,66,85,281	4,64,756	-	-	-	-	1,71,50,036	1,01,17,012	1,01,20,627	
	Previous year	1,62,09,492	4,75,789					1,66,85,281	1,01,20,627	1,05,17,440	



NOTES TO ACCOUNTS

Note No. 1 : COMPANY BACKGROUND

Nowelco Industries Pvt. Ltd. is an ISO 9001: 2015 company engaged in the manufacturing of electrodes

Note No. 2 : SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Preparation of Financial Statements :

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) convention on an accrual basis. GAAP comprises mandatory accounting standards as prescribed by Companies (Accounting Standard) Rules, 2006 under the historical cost (as amended), provisions of Companies Act 2013 (to the extent notified) and the Companies Act 1956 (to the extent applicable). All Accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

(ii) Use of Estimates :

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based on management's best estimate of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

(iii) Revenue Recognition :

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is recognized when the significant risk and rewards of ownership of the goods have passed to the buyer. Sales are recorded at invoice value, net of sales tax, value added tax (VAT), Goods & Service Tax (GST), returns and trade discounts. Revenue is recognized on accrual basis except in case of significant uncertainties.

(iv) Fixed Assets and Depreciation

a) Fixed assets are stated at cost of acquisition or construction less accumulated depreciation. All costs relating to the acquisition and installation of fixed assets net of cenvat credits are capitalised. Subsequent expenditure incurred on assets put to use is capitalised only when it increases the future benefit functioning of capability from/or of such assets.

b) In respect of the fixed assets of holding company, depreciation on tangible fixed assets is consistently provided on straight line method at the rates specified in the Schedule III to the Companies Act, 2013. No depreciation has been charged on land and capital work in progress.

(v) Inventories

Raw materials, Consumables, Stores and Spare parts are valued at lower of cost and net realizable value. However materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Work in Progress and Finished goods are valued at lower of cost and net realizable value. Cost includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost is computed on weighted average / FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.



(vi) Investments

Trade Investments are the investments made to enhance company's business interests. Investments are classified either as current investments or non-current investments based on management's intention at the time of purchase. Current investments are carried at lower of cost and fair value of each investment individually. Cost for overseas investment comprises the Indian Rupee Value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Non-current investments are carried at cost less provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment.

(vii) Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are recorded at the RBI Reference rates prevailing at the date of transaction. Items denominated in foreign currency at the year end are
- b) Investment in equity of foreign subsidiary and Joint Ventures, measured at historical cost, are translated at the exchange rate prevalent at the date of transaction.

(viii) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(ix) Employee Benefits

i) Short Term Employee Benefits:

All the employees benefits payable wholly within twelve months of rendering services are classified as Short term employee benefits and recognised as expenses at undiscounted amount in Statement of Profit & Loss of the year in which the related services are rendered.

(x) Taxes on Income

Income tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the estimated assessable income at the tax rate applicable to the relevant assessment year without considering ICDS. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realisation.

(xi) Impairment of Assets:

The carrying amounts of the assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to the present value at the weighted average cost of capital.

(xii) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when an enterprise has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which reliable estimate can be made. Provision are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying economic benefit is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

(xiii) Classification of Current/Non Current

All assets and liabilities are presented as Current or Non Current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Based on the nature of the products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of Current/ Non-Current classification of assets & liabilities.



NOTE No. -26 NOTES ON ACCOUNTS

(i) Figures have been rounded off to the nearest rupee and the figures for the previous year have been re-grouped, re-classified and re-arranged wherever necessary.

(ii) **Payment to Auditors:**

	<u>Current Year</u>	<u>Previous Year</u>
Audit Fees	20,000.00	20,000.00
Tax Audit	7,500.00	7,500.00

(iii) **Earning Per Share :**

	<u>Current Year</u>	<u>Previous Year</u>
Net Profit after Tax after Prior Period Items and CSR	(5.98)	5.90
No. of Shares Outstanding	12.46	12.46
Weighted Average number of shares outstanding during the year	12.46	12.46
Basic & Diluted Earning Per Share	(0.48)	0.47
[Nominal Value Rs.10/- each] (Rs.)		

(iv) **Break-up of Deferred Tax Assets / (Liabilities) :**

Deferred Tax Liability:

	<u>Current Year</u>	<u>Previous Year</u>
Timing Difference on account of Carrying amount of Fixed Assets in the Financial Statements and the Income Tax Return	8.20	7.56
	-	-

Deferred Tax Assets:

Expense allowable for tax purpose when paid (Section 43B items)	(0.51)	(0.64)
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Net Deferred Tax Assets / (Liability) (8.71) (8.20)

(xiv) The impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration. However, the management has estimated future cash flows for the Company and it believes that there is no impact on its ability to continue as a going concern and meeting its liabilities as and when they fall due.

(xix) Quarterly returns or statements of current assets filed by the company with banks or financial institutions are generally in agreement with the books of accounts and there are no major discrepancies.

(xx) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(xxi) Previous Years Figures are re-grouped and re-arranged wherever necessary.



Trade Receivables ageing schedule as at 31st March,2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	69.85	1.24				71.09
(ii) Undisputed Trade receivables - considered doubtful	1.06	0.03	0.01	0.00	6.26	7.37
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful	0.02		0.00	0.00	16.76	16.78

Trade Receivables ageing schedule as at 31st March,2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	59.30		1.06	0.01		60.37
(i) Undisputed Trade receivables - considered doubtful		0.01	0.03		6.36	6.40
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful				0.01	16.45	16.46



(xvi) Trade Payables ageing schedule: As at 31st March,2023

The aging schedule is prepared by the company based on the transaction date as per the MIS of the company.

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					
(ii) Others	122.77	0.09	0.01		122.88
(iii) Disputed dues- MSME	28.93				28.93
(iv) Disputed dues - Others					-

Trade Payables ageing schedule: As at 31st March,2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME					-
(ii) Others	76.17	0.01			76.18
(iii) Disputed dues- MSME	1.66				1.66
(iv) Disputed dues - Others					-

Ratio Analysis		Numerator	Rs in lakhs	Denominator	Rs in lakhs	31-Mar-23	31-Mar-22
1	Current Ratio	Current Assets	316.30	Current Liabilities	245.93	1.29	0.75
2	Debt Equity Ratio	Total Liabilities	426.18	Shareholder's Equity	42.86	9.94	6.03
3	Debt Service Coverage Ratio	Net Operating Income (EBDITA)	3.38	Finance Expenses	5.23	0.65	4.17
4	Return on Equity Ratio	Profit After Tax	(5.98)	Avg. Shareholders Equity	42.86	-0.14	0.13
5	Inventory Turnover Ratio	Cost of Goods sold	1,089.30	Average Inventory	84.17	12.94	18.29
6	Trade Receivables Turnover Ratio	Net Credit Sales	1,129.55	Average Trade Receivables	89.23	12.66	9.78
7	Trade Payables Turnover Ratio	Total Purchases	1,063.93	Average Trade Payables	114.82	9.27	7.75
8	Net Capital Turnover Ratio	Net Sales	1,129.55	Average Working Capital	(63.79)	-17.71	(8.91)
9	Net Profit Ratio	Profit After Tax	(5.98)	Net Sales	1,129.55	-0.01	0.01
10	Return on Capital employed	EBIT	(1.26)	Capital Employed	42.86	-0.03	0.17
11	Return on Investment	Profit After Tax	(5.98)	Investment (Share Capital + Reserves) Last Year	48.85	-0.12	0.14

