S P A A And Associates
(Formerly Known as : Sumat Gupta & Co.)
CHARTERED ACCOUNTANTS
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Independent Auditor's Report

To the Members of
Renny Strips Private Limited
Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Renny Strips Private Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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

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records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on effectiveness of Companies internal control systems.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of 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"**.

g) 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. On the basis of information and explanations given to us, there is no pending litigations of the company.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

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

v. The Company has not declared/paid any dividend to the shareholders.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For S P A A And Associates
Chartered Accountants
Firm Reg. No. 010288N

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CA
CHARTERED ACCOUNTANTS
FRN 010288N
LUDHIANA

Dated: - 8 AUG 2023
Place: Ludhiana

Sumat Gupta
Partner
(M.No.086000)

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of **M/s Renny Strips Private Limited** ("the Company") for the year ended March 31, 2023:

i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The Company has no intangible assets for the year ended March 31, 2023.

(b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) According to the information and explanations given to us, No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii) (a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. On the basis of our examination of the books of account, and records, the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.

iii) The Company has not made any investments in, 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 other parties.

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iv) In our opinion and according to the information and explanations given to us, the provisions of sections 185 and 186 of the Companies Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given , investments made , guarantees, and securities given have been complied with by the company .

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act in respect of its products. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) (a) In our opinion, the Company has been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) In our opinion and according to the information and explanations given to us, the Company has no statutory dues referred to in sub-clause (a) above which is pending for deposit as on March 31, 2023 on account of dispute.

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans/borrowings and interest thereon to the lenders.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has applied term loan for the purpose for which the loans were obtained during the year under review.

(d) In our opinion and according to the information and explanations given to us, the Company has not utilized any short term fund raised for long term purpose.

(e) The company has no subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3 (ix) (e) of the Order are not applicable to the Company and hence not commented upon.

(f) The company has no subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3 (ix) (f) of the Order are not applicable to the Company and hence not commented upon.

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN:010288N LUDHIANA

x)(a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer(including debt instruments) during the year under review. Accordingly, the provisions of clause 3 (x) (a) of the Order are not applicable to the Company and hence not commented upon.

(b) According to information and explanations given by the management, the company has made Right Issue of equity Shares to its shareholders during the year under review. Based upon the audit procedures performed, the company has compiled with the requirements of section 42 and section 62 of the Companies Act, 2013 and the funds raised have been used for the purposes for which the funds were raised.

xi) (a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company has been noticed or reported during the year.

(b) 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 Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

xii) Since the Company is not a Nidhi Company, therefore, the provisions of clause (xii) (a), (xii) (b) and (xii) (c),of the Order are not applicable to the Company.

xiii) In our opinion, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act.

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(2 of 1934) and accordingly, the provisions of clause 3 (xvi)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(b) In our opinion, 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) On the basis our verification of accounts, the Company has not incurred any cash losses neither during the financial year covered by our audit not in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company.

SPAA AND ASSOCIATES
CHARTERED ACCOUNTANTS
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xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements 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) Section 135 of the Companies Act is not applicable to the company, therefore reporting under clause 3(xx) of the Order is not applicable.

For S P A A And Associates
Chartered Accountants
Firm Reg. No. 010288N

SPAA & ASSOCIATES CHARTERED ACCOUNTANTS FRN:010288N LUDHIANA

Dated: - 8 AUG 2023
Place: Ludhiana

Sumit Gupta
Partner
(M.No.086000)

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of M/s Renny Strips Private Limited

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

We have audited the internal financial controls over financial reporting of **M/s Renny Strips Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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LUDHIANA

A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 S P A A & Associates
Chartered Accountants
Firm Reg. No. 010288N

[illegible] Gupta
Partner
(M.No.086000)

Dated: – 8 AUG 2023
Place: Ludhiana

RENNY STRIPS PRIVATE LIMITED

BALANCE SHEET AS AT 31.03.2023

AMOUNT IN RUPEES (LAKHS)

PARTICULARS	NOTE NO.		AS AT 31.03.2023		AS AT 31.03.2022
SHARE CAPITAL	1	247.87		241.11	
RESERVES & SURPLUS	2	4221.81		3170.3	
			4469.68		3411.38
NON-CURRENT LIABILITIES					
LONG TERM BORROWINGS	3	7243.583		4563.81	
DEFERRED TAX LIABILITIES		324.316		151.81	
OTHER LONG TERM LIABILITIES	4	360.078		219.08	
			7927.98		4934.69
(CURRENT LIABILITIES					
SHORT TERM BORROWINGS	5	6361.35		3228.61	
TRADE PAYABLES	6	398.00		1597.15	
OTHER CURRENT LIABILITIES	7	1169.59		434.36	
			7928.94		5260.12
TOTAL...>			20326.60		13606.19
ASSETS					
NON - CURRENT ASSETS					
PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS					
PROPERTY, PLANT AND EQUIPMENT	8	7454.28		1852.40	
CAPITAL WORK IN PROGRESS	9	1995.74		3545.53	
LONG TERM LOANS & ADVANCES	10	230.54		606.93	
OTHER NON CURRENT ASSETS	11	502.17		313.20	
			10182.73		6318.06
CURRENT ASSETS					
INVENTORIES	12	4853.01		3197.64	
TRADE RECEIVABLES	13	4341.53		3392.88	
CASH & CASH EQUIVALENTS	14	46.15		126.31	
SHORT TERM LOANS & ADVANCES	15	399.50		131.70	
OTHER CURRENT ASSETS	16	503.70		439.60	
			10143.88		7288.14
TOTAL...>			20326.60		13606.19
			0.00		0.00

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 24

AUDITOR'S REPORT
SUBJECT TO OUR REPORT OF EVEN DATE
FOR S P A A And Assocaites
CHARTERED ACCOUNTANTS
FIRM REG.NO.010288N

SUMAT GUPTA
PARTNER
M.NO.080000

DATED:- - 8 AUG 2023
PLACE:-LUDHIANA

ON OR BEHALF OF BOARD
FOR RENNY STRIPS PRIVATE LIMITED

BINNY GUPTA
(DIRECTOR)
DIN: 00893244

Chetna Gupta
CHETNA GUPTA
(DIRECTOR)
DIN:00917984

RENNY STRIPS PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS A/C FOR THE PERIOD ENDED ON 31.03.2023

AMOUNT IN RUPEES (LAKHS)

PARTICULARS	NOTE NO.		AS AT 31.03.2023		AS AT 31.03.2022
REVENUES					
REVENUE FROM OPERATIONS	17		53338.38		31111.25
OTHER INCOME	18		358.39		30.24
TOTAL INCOME (1+2)			**53696.77**		**31141.49**
EXPENSES					
COST OF MATERIAL CONSUMED	19	46105.92		24371.23	
PURCHASES OF STOCK IN TRADE		104.69		1235.83	
CHANGE IN INVENTORIES OF FINISHED GOODS	20	-967.42			
EMPLOYEE BENEFIT EXPENSES	21	903.48		411.91	
FINANCIAL COSTS	22	625.51		771.75	
DEPRECIATION		247.32		257.92	
OTHER EXPENSES	23	5310.92		119.71	
				2983.23	
TOTAL EXPENSES			52330.41		30151.57
PROFIT BEFORE TAX			**1366.36**		**989.92**
TAX EXPENSE					
PROVISION FOR TAX			228.07		204.09
DEFERRED TAX ADJUSTMENTS			172.51		13.06
PROFIT/(LOSS) FOR THE PERIOD			**965.78**		**772.77**
EARNING PER SHARE-BASIC & DILUTED			**38.76**		**36.04**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 24

AUDITOR'S REPORT
SUBJECT TO OUR REPORT OF EVEN DATE
FOR S P A A AND ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGD.NO.010288N

SUMAT GUPTA
PARTNER
M.NO.086000

ON OR BEHALF OF BOARD
FOR RENNY STRIPS PRIVATE LIMITED

Chetna Gupta

BINNY GUPTA
(DIRECTOR)
DIN: 00893244

CHETNA GUPTA
(DIRECTOR)
DIN:00917984

DATED:- - 8 AUG 2023
PLACE:-LUDHIANA

RENNY STRIPS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2023

	PARTICULARS	AMOUNT IN RUPEES (LAKHS) AS AT 31.03.2023	AS AT 31.03.2022
A.	**CASH FLOW FROM/USED IN OPERATING ACTIVITIES**		
	NET PROFIT BEFORE TAX	1366.36	989.92
	ADJUSTMENTS FOR:		
	DEPRECIATION	247.32	119.71
	MISCELLENOUS EXPENSES WRITTEN OFF	0.00	0.00
	INTEREST EXPENSES	625.51	257.92
	INTEREST INCOME	(26.15)	(28.26)
	LOSS ON SALE OF FIXED ASSETS	0.00	0.00
	PROFIT ON SALE OF FIXED ASSETS	0.00	(1.58)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**2213.04**	**1337.71**
	ADJUSTMENTS FOR:		
	(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	(1093.12)	(3180.29)
	(INCREASE)/DECREASE IN INVENTORIES	(1655.36)	(831.70)
	INCREASE/(DECREASE) IN TRADE PAYABLES AND OTHER LIABIL	(322.92)	1502.92
	CASH GENERATED FROM OPERATIONS	**(858.36)**	**(1171.35)**
	INCOME TAX PAID	235.56	185.86
	NET CASH FROM/USED IN OPERATING ACTIVITIES	**(1093.92)**	**(1357.21)**
B.	**CASH FLOW FROM/USED IN INVESTING ACTIVITIES**		
	PURCHASE OF FIXED ASSETS	(4299.41)	(3593.07)
	SALE OF FIXED ASSETS	0.00	6.50
	INTEREST RECEIVED	26.15	28.26
	NET CASH FROM/USED IN INVESTING ACTIVITIES	**(4273.26)**	**(3558.31)**
C.	**CASH FLOW FROM/USED IN FINANCING ACTIVITIES**		
	PROCEEDS FROM ISSUE OF EQUITY SHARES	100.00	400.20
	PROCEEDS FROM ISSUE OF PREF. SHARES	0.00	0.00
	PROCEEDS FROM LONG TERM BORROWINGS	2679.78	3095.31
	REPAYMENT OF LONG TERM BORROWINGS	0.00	0.00
	CHANGES IN WORKING CAPITAL LOANS/SHORT TERM BORROWI	3132.74	1749.98
	DIVIDEND PAID	0.00	0.00
	INTEREST PAID	(625.51)	(257.92)
	NET CASH FROM/USED IN FINANCING ACTIVITIES	**5287.01**	**4987.57**
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVLANTS	(80.16)	72.04
	OPENING CASH AND CASH EQUIVLANTS	126.31	54.27
	CLOSING CASH AND CASH EQUIVLANTS	46.15	126.31
	SIGNIFICANT ACCOUNTING POLICIES AND N(XX	(0.00)	0.00

AUDITOR'S REPORT
SUBJECT TO OUR REPORT OF EVEN DATE
FOR SPAA & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN REGD NO.010288N

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN 010288N LUDHIANA

[illegible] GUPTA
PARTNER
M.No [illegible]6000

DATED:- 8 AUG 2023
PLACE:-LUDHIANA

ON OR BEHALF OF BOARD
FOR RENNY STRIPS PRIVATE LIMITED

Binny	Chetna Gupta
BINNY GUPTA	**CHETNA GUPTA**
(DIRECTOR)	**(DIRECTOR)**
DIN :00893244	**DIN :00917984**

RENNY STRIPS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2023

AMOUNT IN RUPEES (LAKHS)

PARTICULARS	AS AT 31.03.2023	AS AT 31.03.2022
SHARE CAPITAL		NOTE NO. 1
I) AUTHORISED SHARE CAPITAL		
2500000 EQUITY SHARES OF RS.10/- EACH	250.00	250.00
II) ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
EQUITY SHARE CAPITAL 24787200 EQUITY SHARES OF RS.10/- EACH (PY 2411150 EQUITY SHARES OF RS.10/- EACH FULLY PAID UP)	247.87	241.12
TOTAL...>	247.87	241.12

DETAIL OF SHAREHOLDING > 5%

NAME OF SHAREHOLDERS	NO. OF SHARES	% AGE	% of Change During the year	NO. OF SHARES	% AGE
PROMOTERS					
SH. BINNY GUPTA	1551200	62.58%	1.05%	1483630	61.53%
SMT. CHETNA GUPTA	293900	11.86%	-0.33%	293900	12.19%
RENNY STEEL CASTINGS PRIVATE LIMITED	198000	7.99%	-0.22%	198000	8.21%

RECONCILIATION OF SHARE CAPITAL

OPENING BALANCE OF EQUITY SHARE CAPITAL	2411150	2063150
ADD: ISSUED DURING THE YEAR	67570	348000
CLOSING BALANCE OF EQUITY SHARE CAPITAL	2478720	2411150

NAME OF SHAREHOLDERS	NO. OF SHARES	% AGE	% of Change During the year	NO. OF SHARES	% AGE
PROMOTERS					
SH. BINNY GUPTA	1551200	62.58%	1.05%	1483630	61.53%
SMT. CHETNA GUPTA	293900	11.86%	-0.33%	293900	12.19%
SH. BINNY GUPTA (HUF)	8400	0.34%	-0.01%	8400	0.35%
MS.DIVYA GUPTA	45000	1.82%	-0.05%	45000	1.87%
MASTER ARPIT GUPTA	2600	0.10%	0.00%	2600	0.11%
SH. SUNIL KUMAR GUPTA (HUF)	4000	0.16%	0.00%	4000	0.17%
MS. SHAVETA GUPTA	50000	2.02%	-0.06%	50000	2.07%
SH. RAJINDER AGGARWAL	1200	0.05%	0.00%	1200	0.05%
SH. AMIT GUPTA	13000	0.52%	-0.01%	13000	0.54%
SMT. REKHA GUPTA	6200	0.25%	-0.01%	6200	0.26%
SMT.SHASHI SINGLA	44400	1.79%	-0.05%	44400	1.84%
SH. DEV RAJ GUPTA	67000	2.70%	-0.08%	67000	2.78%
RENNY STEEL CASTINGS PRIVATE LIMITED	198000	7.99%	-0.22%	198000	8.21%

RESERVE & SURPLUS				NOTE NO. 2
SHARE PREMIUM	1065.58		700.18	
ADD: ADDITIONS DURING THE YEAR	93.25	1158.82	365.40	1065.58
PROFIT & LOSS A/C				
OPG PROFIT & LOSS A/C	2104.69		1313.70	
BALANCE TRANSFERRED DURING THE YEAR	965.78		772.77	
LESS: INCOME TAX EARLIER YEARS	7.48	3062.99	-18.23	2104.69
TOTAL...>		4221.81		3170.27

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN 010288N LUDHIANA

AMOUNT IN RUPEES (LAKHS)

RENNY STRIPS PRIVATE LIMITED

PARTICULARS		AS AT 31.03.2023		AS AT 31.03.2022
LONG TERM BORROWINGS				**NOTE NO. 3**
SECURED LOANS				
TERM LOANS (EXCLUDING INSTALLMENTS DUE IN NEXT 12 MONTHS)				
HDFC BANK LTD. - TERM LOAN - 1	217.05		329.14	
HDFC BANK LTD. - TERM LOAN - 2	885.09		974.68	
STATE BANK OF INDIA -TERM LOAN-1	293.75		1306.01	
STATE BANK OF INDIA -FCNR TL	2304.84		0.00	
STATE BANK OF INDIA -TERM LOAN-2	1113.30		0.00	
	4814.02		2609.84	
LESS: INSTALLMENTS DUE IN NEXT 12 MONTHS	601.76		409.66	
		4212.26		2200.17
ECLGS (EXCLUDING INSTALLMENTS DUE IN NEXT 12 MONTHS)				
HDFC BANK LTD (ECLGS) TERM LOAN	294.21		448.93	
LESS: INSTALLMENTS DUE IN NEXT 12 MONTHS	167.90	126.31	156.93	292.00
VEHICLE LOANS (EXCLUDING INSTALLMENTS DUE IN NEXT 12 MONTHS)				
HDFC BANK LTD. AUTO LOAN (KIA CARNIVAL)	17.31		24.40	
HDFC BANK LIMITED(CRANE)	2.04		5.86	
HDFC BANK LIMITED(CRANE 2)	2.04		5.86	
HDFC BANK LIMITED (FORTUNER CAR)	0.00		0.00	
TOTAL	21.39		36.12	
LESS: INSTALLMENTS DUE IN NEXT 12 MONTHS	11.72		14.73	
		9.67		21.39
TOTAL...> **(A)**		**4348.24**		**2513.56**
UNSECURED LOANS				
FROM DIRECTORS,RELATIVES AND MEMBERS		631.68		645.18
INTERCORPORATE DEPOSITS		2263.67		1405.07
(B)		**2895.35**		**2050.25**
TOTAL...> **(A) + (B)**		**7243.58**		**4563.81**

HDFC BANK LTD-TERM LOAN

TERM LOAN TAKEN FROM HDFC BANK IS SECURED BY WAY OF HYPOTHECATION OF THE FIXED ASSETS AGAINST WHICH THE SAID LOAN HAS BEEN TAKEN ON PARI PASSU BASIS.

REPAYMENT SCHEDULE

TERM LOAN IS REPAYABLE IN 84 EMIs STARTING FROM SEPT 2017, 1ST EMI (RS.90675.57),2-5 EMIs (RS.157260.02 EACH), 6TH EMI RS.306777.83. 7TH EMI RS.680807/-, 8TH RS.852187/-, 9TH RS.995293/- AND NEXT 74 EMIS OF RS.1119769/- EACH)

HDFC BANK LTD-TERM LOAN NEW

TERM LOAN TAKEN FROM HDFC BANK IS SECURED BY WAY OF HYPOTHECATION OF THE FIXED ASSETS OF THE COMPANY ON PARI PASSU BASIS.

SPAA AND ASSOCIATES CA CHARTERED ACCOUNTANTS FRN.010288N LUDHIANA

RENNY STRIPS PRIVATE LIMITED

AMOUNT IN RUPEES (LAKHS

REPAYMENT SCHEDULE

TERM LOAN IS REPAYABLE IN 96 EMIs STARTING FROM DEC 2021, FIRST 2 EMIs (RS.818024/- EACH) AND NEXT 94 EMIs OF (RS.1372040/- EACH)

STATE BANK OF INDIA-TERM LOAN, FCNRB AND TERM LOAN-2

ASSETS OF THE COMPANY ON PARI PASSU BASIS.

REPAYMENT SCHEDULE (TERM LOAN AND FCNRB)

TERM LOAN IS REPAYABLE IN 84 MONTHLY INSTALLMENTS STARTING FROM OCT 2022, 83 MONTHLY INSTALLMENTS OF RS.33 LAKHS EACH AND LAST INSTALLMENT OF RS.61 LAKHS.

REPAYMENT SCHEDULE (TERM LOAN-II)

TERM LOAN IS REPAYABLE IN 87 MONTHLY INSTALLMENTS STARTING FROM OCT 2023, 86 MONTHLY INSTALLMENTS OF RS.14.942 LAKHS EACH AND LAST INSTALLMENT OF RS.14.988 LAKHS.

HDFC BANK LTD-GECL

TERM LOAN TAKEN FROM HDFC BANK IS SECURED BY WAY OF HYPOTHECATION OF THE FIXED ASSETS AGAINST WHICH THE SAID LOAN HAS BEEN TAKEN.

REPAYMENT SCHEDULE

TERM LOAN IS REPAYABLE IN 48 EMIs OF RS.1567663/-STARTING FROM DEC 2021 EACH)

VEHICLE LOANS

(I) VEHCILE LOANS FROM HDFC BANK AND AXIS BANK ARE SECURED BY WAY OF HYPOTHECATION OF THE VEHCILE AGAINST WHICH THE LOAN HAS BEEN TAKEN.

REPAYMENT SCHEDULE

VEHICLE LOAN (KIA CARNIVAL) FROM HDFC BANK LTD ARE REPAYABLE IN 48 EMIs OF RS.72343/- EACH STARTING FROM JUNE 2021.

VEHICLE LOAN (CRANE AND CRANE2) FROM HDFC BANK LTD ARE REPAYABLE IN 36 EMIs OF RS.34855/- EACH STARTING FROM OCT 2020.

VEHICLE LOAN (FORTUNER) FROM HDFC BANK LTD IS REPAYABLE IN 36 EMIs OF RS.66570/- STARTING FROM JUNE 2017.

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN:019288N LUDHIANA

AMOUNT IN RUPEES (LAKHS)

RENNY STRIPS PRIVATE LIMITED

PARTICULARS		AS AT 31.03.2023		AS AT 31.03.2022
OTHER LONG TERM LIABILITIES				**NOTE NO. 4**
CREDITORS AGAINST CAPITAL GOODS		360.08		219.08
TOTAL...>		360.08		219.08
SHORT TERM BORROWINGS				**NOTE NO. 5**
HDFC BANK LTD (CC)		3923.59		2647.28
State Bank of India - FCNR		1400.00		0.00
State Bank of India - SLC		249.61		0.00
STATE BANK LTD (CC)		6.76		0.00
CURRENT MATURITIES OF LONG TERM BORROWINGS		781.39		581.32
TOTAL...>		6361.35		3228.61

HDFC BANK LTD CASH CREDIT

PRIMARY SECURITY

(I) HDFC BANK LTD(CASH CREDIT/ MEOD LIMITS) ARE SECURED BY WAY OF HYPOTHECATION OF ENTIRE CURRENT ASSETS I.E. STOCKS AND BOOK DEBTS OF THE COMPANY.

(I) STATE BANK OF INDIA (CASH CREDIT/ FCNRB/SLC LIMITS) ARE SECURED BY WAY OF HYPOTHECATION OF ENTIRE CURRENT ASSETS I.E. STOCKS AND BOOK DEBTS OF THE COMPANY.

COLLATERAL SECURITY

(I) EXCLUSIVE 1ST CHARGE ON ENTIRE FIXED ASSETS, BOTH PRESENT AND FUTURE OF THE COMPANY INCLUDING EM OF LEASEHOLD RIGHTS OF FACTORY LAND AND BUILDING MEASURING 9680 SQ. YDS AT KOHARA MACCHIWARA ROAD, VILLAGE MANGARH LUDHIANA IN THE NAME OF RENNY STEEL CASTINGS (P) LTD

(II) EXCLUSIVE IST CHARGE ON EM OF FACTORY LAND AND BUILDING MEASURING 21507.75 SQ. YDS AND BUILT UP AREA OF 73558 SQ. FT AT KOHARA, MACCHIWARA ROAD, VILLAGE MANGARH LUDHIANA REGISTERED VIDE WASIKA NO.28263 DATED 29/11/1994 & WASIKA NO.16336 DATED 11/10/1990 IN THE NAME OF RENNY STEEL CASTING(P) LIMITED.

(III) EXCLUSIVE 1ST CHARGE ON EM OF LAND MEASURING 5.17 ACRES SITUATED AT LAKHOWAL ROAD, OPPO PSEB SUB STATION (2200KVA), VILLAGE LAKHOWAL IN THE NAME OF RENNY STRIPS PVT LTD.

(IV) FACILTIES ARE FURTHER SECURED BY THE PERSONAL GUARANTEES OF THE DIRECTORS OF THE COMPANY.

TRADE PAYABLES DUES FOR PAYMENT				**NOTE NO. 6**
SUNDRY CREDITORS				
(i) MSME				
(ii) OTHERS		0.00		0.00
--Less Than 1 Year	384.97		1575.67	
--1-2 Years	13.04		21.47	
--2-3 Years	0.00		0.00	
--More Than 3 Years	0.00		0.00	
Total		398.00		1597.15
(iii) DISPUTED DUES-MSME		0.00		0.00
(iv) DISPUTED DUES-OTHERS		0.00		0.00
TOTAL...>		398.00		1597.15
OTHER CURRENT LIABILITIES				**NOTE NO. 7**
OTHER CURRENT LIABILITIES		634.78		0.00
ADVANCE FROM CUSTOMERS		2.98		0.01
EXPENSES PAYABLE		531.83		434.35
TOTAL...>		1169.59		434.36

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN:010288N LUDHIANA

RENNY STRIPS PRIVATE LIMITED
SCHEDULE TO BALANCE SHEET AS AT 31.03.2023

SCHEDULE V
FIXED ASSETS

NOTE NO. VII

AMOUNT IN RUPEES (LAKHS)

SR. NO.	PARTICULARS	Original Cost as at 1/Apr/22	Additions during the Year	Adjusted during the Year	Original Cost as at 31/Mar/23	Depreciation up to 1/Apr/22	Depreciation for the year	Adjusted During the Year	Depreciation up to 31/Mar/23	W.D.V. as at 31/Mar/23	W.D.V. as at 31-03-2022
1	LAND AT LAKHOWAL										
1A	LAND	37.26	0.00	0.00	37.26	0.00	0.00	0.00	0.00	37.26	37.26
1B	LAND DEVELOPMENT	216.35	0.00	0.00	216.35	0.00	0.00	0.00	0.00	216.35	216.35
		0.00	51.65	0.00	51.65	0.00	0.00	0.00	0.00	51.65	0.00
2	BUILDING	228.76	558.15	0.00	786.92	54.33	16.00	0.00	70.33	716.59	174.43
2b	FOUNDATION FOR MACHINERY	17.94	846.31	0.00	864.25	1.02	13.89	0.00	14.91	849.34	16.92
3	PLANT & MACHINERY										
A.	FURNACE,CCM AND ROLLING MILL										
I	MACHINERY & OTHER FIXED ASSETS	535.65	2946.42	0.00	3482.07	170.81	94.23	0.00	265.05	3217.02	364.84
II	ELECTRIC INSTALLATION	249.39	891.27	0.00	1140.65	137.02	30.86	0.00	167.87	972.78	112.37
III	ROLLING MILL ROLLS	15.77	0.00	0.00	15.77	5.82	0.73	0.00	6.55	9.22	9.95
IV	REHEATING EQUIPMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
V	CRANE	62.08	0.00	0.00	62.08	17.68	5.90	0.00	23.58	38.50	44.39
VI	WORKSHOP MACHINERY	15.21	0.00	0.00	15.21	12.76	0.41	0.00	13.17	2.04	2.45
B	OTHER MACHINERY										
I	GENERATOR	4.54	38.25	0.00	42.79	3.84	2.43	0.00	6.26	36.52	0.70
II	MATERIAL HANDLING EQUIPMENT	11.58	0.00	0.00	11.58	11.00	0.00	0.00	11.00	0.58	0.58
III	MISC. FIXED ASSETS	16.37	217.34	0.00	233.72	14.09	7.17	0.00	21.26	212.45	2.28
IV	COMPUTER	7.68	2.52	0.00	10.19	5.06	1.53	0.00	6.59	3.61	2.62
V	POLLUTION CONTROL EQUIPMENT.	53.55	277.21	0.00	330.76	15.47	8.83	0.00	24.30	306.47	38.08
VI	WEIGH BRIDGE	12.49	0.00	0.00	12.49	7.25	0.11	0.00	7.35	5.14	5.24
VIII	CONTAINER	1.17	0.00	0.00	1.17	0.41	0.11	0.00	0.52	0.65	0.76
4	FURNITURE & FIXTURE	12.68	10.93	0.00	23.61	0.35	1.81	0.00	2.17	21.45	12.33
5	OFFICE EQUIPMENTS	23.97	9.14	0.00	33.11	7.29	5.34	0.00	12.63	20.48	16.68
6	VEHICLES										
I	CAR	182.83	0.00	0.00	182.83	110.91	16.72	0.00	127.63	55.20	71.92
ii	MOTOR CYCLE	2.60	0.00	0.00	2.60	1.82	0.08	0.00	1.90	0.70	0.78
iii	SCOOTER	1.40	0.00	0.00	1.40	1.10	0.05	0.00	1.15	0.25	0.30
iv	TRUCKS	6.04	0.00	0.00	6.04	5.74	0.00	0.00	5.74	0.30	0.30
	TOTAL--A	1715.30	5849.20	0.00	7564.50	583.76	206.20	0.00	789.97	6774.54	1131.54

S P AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: [illegible]
LUDHIANA

RENNY STRIPS PRIVATE LIMITED
FURNACE DIVISION
SCHEDULE TO BALANCE SHEET AS AT 31.03.2023

SCHEDULE V

FIXED ASSETS

NOTE NO. VIII(a)

AMOUNT IN RUPEES (LAKHS)

SR. NO.	PARTICULARS	Original Cost as at 1/Apr/22	Additions during the Year	Adjusted during the Year	Original Cost as at 31/Mar/23	Depreciation up to 1/Apr/22	Depreciation for the year	Adjusted During the Year	Depreciation up to 31/Mar/23	W.D.V. as at 31/Mar/23	W.D.V. as at 31-03-2022
1	LAND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	BUILDING	217.65	0.00	0.00	217.65	26.01	6.89	0.00	32.90	184.75	191.84
3	PLANT & MACHINERY	371.54	0.00	0.00	371.54	60.12	17.65	0.00	77.77	293.78	311.42
4	ELECTRIC INSTALLATION	162.31	0.00	0.00	162.31	28.92	7.71	0.00	36.63	125.69	133.40
5	GENERATOR	18.44	0.00	0.00	18.44	4.46	1.17	0.00	5.63	12.81	13.98
6	COMPUTER	1.06	0.00	0.00	1.06	0.96	0.03	0.00	0.99	0.07	0.10
7	POLLUTION CONTROL EQUIPMENT	24.51	0.00	0.00	24.51	4.44	1.16	0.00	5.60	18.91	20.07
8	WEIGH BRIDGE	7.46	0.00	0.00	7.46	1.80	0.47	0.00	2.28	5.19	5.66
9	LAB EQUIPMENTS	10.71	0.00	0.00	10.71	3.61	1.02	0.00	4.63	6.08	7.10
10	CRANE	32.45	0.00	0.00	32.45	7.57	2.06	0.00	9.63	22.82	24.88
11	OFFICE EQUIPMENTS	1.94	0.00	0.00	1.94	1.46	0.37	0.00	1.82	0.12	0.49
12	TRUCKS	21.69	0.00	0.00	21.69	9.84	2.58	0.00	12.41	9.28	11.85
13	CCTV CAMERA & ASSCESSORIES	0.29	0.00	0.00	0.29	0.02	0.02	0.00	0.04	0.25	0.27
	TOTAL...B	870.07	0.00	0.00	870.07	149.21	41.12	0.00	190.33	679.74	720.86
	G.TOTAL (A+B)	2585.37	5849.20	0.00	8434.57	732.97	247.32	0.00	980.29	7454.28	1852.40
	PREVIOUS YEAR	2529.27	89.37	33.27	2585.37	641.61	119.71	28.35	732.97	1852.40	1887.66

SPAA AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:010288N
LUDHIANA

RENNY STRIPS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2023

PARTICULARS	AMOUNT IN RUPEES (LAKHS) AS AT 31.03.2023	AS AT 31.03.2022
CAPITAL WORK IN PROGRESS		**NOTE NO. 9**
PROJECTS IN PROGRESS		
--- CWIP LESS THAN 1 YEAR	1995.74	3503.70
--- CWIP 1-2 YEARS	0.00	41.83
TOTAL...>	**1995.74**	**3545.53**
LONG TERM LOANS & ADVANCES		**NOTE NO.10**
ADVANCE TO CAPITAL GOODS SUPPLIERS	230.54	606.93
TOTAL...>	**230.54**	**606.93**
NON CURRENT ASSETS		**NOTE NO. 11**
ELECTRICITY SECURITY	502.14	313.17
LPG CONNECTION SECURITY	0.03	0.03
TOTAL...>	**502.17**	**313.20**
CURRENT ASSETS		
A) INVENTORIES		**NOTE NO.12**
(AS VALUED & CERTIFIED BY DIRECTORS)		
RAW MATERIAL	1937.29	1580.42
FINISHED GOODS	2392.60	1425.18
STORES AND SPARES	523.12	192.04
TOTAL...>	**4853.01**	**3197.64**
B) TRADE RECEIVABLES		**NOTE NO. 13**
(UNSECURED CONSIDERED GOOD)		
UNDISPUTED TRADE RECEIVABLES – CONSIDERED GOOD		
-- LESS THAN 6 MONTHS	4123.36	3281.08
-- 6 MONTHS-1 YEAR	108.09	0.29
-- 1-2 YEAR	0.00	1.67
-- 2-3 YEAR	1.96	0.00
-- MORE THAN 3 YEARS	65.17	66.89
UNDISPUTED TRADE RECEIVABLES – CONSIDERED DOUBTFUL	0.00	0.00
DISPUTED TRADE RECEIVABLES CONSIDERED GOOD	42.95	42.95
DISPUTED TRADE RECEIVABLES CONSIDERED DOUBTFUL	0.00	
TOTAL...>	**4341.53**	**3392.88**
C) CASH & CASH EQUIVALENTS		**NOTE NO. 14**
CASH IN HAND	16.05	23.49
BALANCE WITH BANKS		
IN CURRENT ACCOUNTS	1.40	5.01
IN FIXED DEPOSIT (INCLUDING INTEREST ACCRUED THEREON)	28.70	97.81
TOTAL...>	**46.15**	**126.31**

SPAA AND ASSOCIATES
CA
CHARTERED ACCOUNTANTS
FRN:019288N
LUDHIANA

RENNY STRIPS PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2023

PARTICULARS		AS AT 31.03.2023		AS AT 31.03.2022
				AMOUNT IN RUPEES (LAKHS)
D) SHORT TERM LOANS & ADVANCES				**NOTE NO. 15**
(A) LOANS AND ADVANCES TO RELATED PARTIES		0.00		0.00
(B) OTHER ADVANCES				
(i) ADVANCES TO SUPPLIERS				
(a) SECURED, CONSIDERED GOOD-ADVANCES(SUPPLIERS)		0.00		0.00
(b) UNSECURED, CONSIDERED GOOD-ADVANCES(SUPPLIERS)		325.64		118.18
(c) DOUBTFUL-ADVANCES(SUPPLIERS)		0.00		0.00
(ii) ADVANCE (OTHERS)				
(a) SECURED, CONSIDERED GOOD-ADVANCES(OTHERS)		0.00		0.00
(b) UNSECURED, CONSIDERED GOOD -ADVANCES(OTHERS)		73.86		13.52
(c) DOUBTFUL -ADVANCES(OTHERS)		0.00		0.00
TOTAL...>		**399.50**		**131.70**
E) OTHER CURRENT ASSETS				**NOTE NO. 16**
TAXES & DUTIES		355.83		358.32
OTHER CURRENT ASSETS		147.87		81.28
TOTAL...>		**503.70**		**439.60**
REVENUES FROM OPERATIONS				**NOTE NO. 17**
SALES (NET OF GST)				
DOMESTIC SALES		53338.38		31111.25
EXPORT SALES		0.00		0.00
TOTAL...>		**53338.38**		**31111.25**
OTHER INCOME				**NOTE NO. 18**
INTEREST INCOME		26.15		28.26
INCENTIVE RECEIVED		331.16		0.00
PROFIT ON SALE OF FIXED ASSETS		0.00		1.58
REBATE & DISCOUNT		1.08		0.40
TOTAL...>		**358.39**		**30.24**
RAW MATERIAL CONSUMPTION				**NOTE NO.19**
OPENING STOCK	1580.42		331.29	
PURCHASES	45459.57		25528.25	
INTERUNIT PURCHASE/ SALE	0.00		0.00	
FREIGHT INWARD/IMPORT CLEARANCE EXP	1003.21		92.11	
	48043.21		**25951.65**	
LESS: CLOSING STOCK	1937.29		1580.42	
		46105.92		24371.23
TOTAL...>		**46105.92**		**24371.23**

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN 010288N LUDHIANA

RENNY STRIPS PRIVATE LIMITED

AMOUNT IN RUPEES (LAKHS)

PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
CHANGE IN INVENTORIES OF FINISHED GOODS & WORK IN PROCESS	NOTE NO. 20		
CLOSING STOCK OF FINISHED GOODS		2392.60	1425.18
LESS: OPENING STOCK OF FINISHED GOODS		1425.18	1837.08
(INCREASE)/DECREASE STOCK		(967.42)	411.91

PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
EMPOLOYEES BENEFIT EXPENSES	NOTE NO. 21		
WAGES A/C		668.68	587.73
SALARY		156.74	121.91
SECURITY EXPENSES		40.41	30.17
STAFF WELFARE EXPENSES		0.00	0.00
MEDICAL EXPENSES		0.00	0.87
BONUS		13.55	9.53
LEAVE WITH WAGES		14.31	12.35
EMPLOYEES LABOUR WELFARE FUND		0.42	1.07
E.P.F. EMPLOYER'S SHARE		1.66	1.54
E.S.I. EMPLOYER'S SHARE		7.70	6.58
TOTAL...>		903.48	771.75

PARTICULARS	NOTE NO.	AS AT 31.03.2023	AS AT 31.03.2022
FINANCIAL COSTS	NOTE NO.22		
BANK CHARGES		27.15	5.58
CREDIT CARD EXPENSES		17.22	17.59
HIRE CHARGES		2.31	3.36
EXCHANGE RATE FLUCTUATION		0.00	0.00
SERVICE CHARGES		2.70	2.64
INTEREST ON C/C		351.89	153.88
INTEREST ON TERM LOAN		219.09	72.85
INTEREST (OTHERS)		5.14	2.00
TOTAL...>		625.51	257.92

SPAA AND ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:010288N
LUDHIANA

RENNY STRIPS PRIVATE LIMITED

AMOUNT IN RUPEES (LAKHS)

PARTICULARS	NOTE NO.		AS AT 31.03.2023		AS AT 31.03.2022
OTHER EXPENSES					
(A) MANUFACTURING EXPENSES					**NOTE NO.23**
POWER & FUEL EXPENSES			3995.99		1977.55
MACHINERY REPAIR			2.03		0.70
CONSUMABLE STORES					
OPENING STOCK		192.04		197.58	
PURCHASES CONSUMABLE		1092.48		634.79	
INTERUNIT PURCHASE/ SALE		0.00		0.00	
TOTAL		1284.53		832.37	
LESS: CLOSING STOCK		523.12	761.41	192.04	640.32
(B) ADMINISTRATIVE EXPENSES					
ANNUAL MAINTENACE CHARGES			0.92		2.25
AUDIT FEES			3.42		2.34
BUILDING REPAIR			0.00		0.00
CHARITY & DONATION			12.73		0.00
COMPENSATION CESS REVERSED			1.54		2.73
COMPUTER AND PRINTERS REPAIR			0.11		0.17
CSR Expenses-135			18.75		6.73
DIRECTOR REMUNERATION			180.00		132.00
ELECTRICITY EXP			1.21		0.99
ELECTRIC REPAIR			0.00		0.19
ENTERTAINMENT EXP			1.11		1.09
FINE & PENALTY			0.00		0.28
FEE, SUBSCRIPTION & TAXES			11.06		1.82
GST PAID			0.00		0.00
FESTIVAL EXP			1.05		2.20
FREIGHT EXP			31.66		1.15
GENERATOR RENT			0.72		0.00
TESTING CHARGES			0.09		0.00
INSURANCE PREMIUM EXP			20.43		13.83
LOSS ON SALE OF FIXED ASSETS			0.00		0.00
LEASE RENT			0.60		0.60
LEGAL & PROFESSIONAL CHARGES			5.68		11.57
MEMBERSHIP FEE			3.05		0.81
MISC EXPENSES			7.08		0.79
CONSULTANCY CHARGES			0.04		0.00
MOBILE & TELEPHONE EXP			3.60		2.13
PRINTING & STATIONERY			1.79		1.12
REPAIR & MAINTENACE A/C			0.00		1.45
VEHICLE EXPENSES			9.74		12.33
SELLING & DISTRIBUTION EXPENSES					
ADVERTISEMENT EXP.			0.51		0.38
BAD DEBTS			0.00		4.73
BROKERAGE EXPENSES			0.50		0.00
COMMISSION PAID			0.32		0.00
REBATE & DISCOUNT			0.00		0.00
FREIGHT, OCTORI AND CARTAGE OUTWARD			150.54		104.85
SALES PROMOTION			12.83		0.00
TRAVELLING EXP(INCLUDING FOREIGN TRAVELLING)			24.07		13.34
TRUCKS EXP.			46.33		42.79
TOTAL...>	(A) + (B) + (C)		**5310.92**		**2983.23**

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN 010288N LUDHIANA

NOTE NO.24

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1 Significant Accounting Policies

a) Basis of preparation

The financial statements of the Company have been prepared under the historical cost convention on an accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and relevant provisions of the Companies Act, 2013 ("the 2013 Act").

b) Use of estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities at the date of these financial statements. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

c) Revenue Recognition

The Company follows mercantile system of accounting and recognizes income/expenditure on accrual basis.

d) Sales

Sales of goods are accounted for on the basis of passing of title to the goods to the buyer are net of return and trade

e) Purchase

Purchases are accountable at net of GST.

f) Inventories

Inventories are valued at cost or net realizable values whichever is less. The method of valuation of various types of

(i) Raw materials are valued at cost on FIFO Basis.
(ii) Finished goods and work in progress are valued at cost or net realizable value whichever is less. The cost of finished goods and work in process includes cost of Raw Material & proportion of production overheads.
(iii) Stores & Spares are valued at cost on FIFO Basis.
(iv) Wastage/scrap is valued at net realizable value.

g) Staff Benefits

i) Leave Encashment benefits are provided in the books of accounts as per Company Rules.
ii) Bonus liability is provided in respect of the employees under the provisions of payment of Bonus Act 1965.
iii) Provident Contribution is made in accordance with the provisions of Provident Fund Act, 1952.

h) Fixed Assets

Fixed Assets are capitalized at cost of acquisition along with any related expenditure.

i) Depreciation

Depreciation on Fixed Assets is provided as per S.L.M. method at the rates

j) Taxes on Income

comprises current tax and deferred tax charge or credit. Deferred tax/Assets/Liabilities resulting from "timing difference" between book and taxable profits is accounted for by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax is recognized only to the extent there is virtual certainly of its realization, supported by convincing evidence.

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k) **Leases**

Lease under which company assumes substantially all the risks and rewards of ownership are classified as financial leases. Such assets acquired are capitalized at fair value of the asset or present value of the minimum lease payments under operating leases are recognized as an expense on a straight-line basis in the

l) **Impairment of Assets.**

At each balance sheet date an assessment is made whether any indication exists that an assets has been impaired. If any such indication exists, an impairment loss, i.e. the amount by which the carrying amount of assets exceeds its recoverable amount is provided in the books of account.

m) **Foreign Currency Transactions:**

Foreign currency transactions are accounted at the rates prevailing on the date of the transaction. The exchange rate differences arising out of such transactions are appropriately dealt in the financial statements in accordance with the applicable accounting standards.

2 **Notes of Accounts**

2.1 No. employee was in receipt of remuneration aggregating to Rs.2400000/- per annum throughout the year of Rs.200000/- per month for a part of the year.

2.2 In the opinion of the management, all current assets, loan and advances their value if realized in the ordinary course of business, at least to the amount at which they are stated except expressly stated

2.3 Balance of Sundry Debtors, Sundry Creditors and Loans and Advances are subject to confirmation and reconciliation.

2.4 There are no specific claim from supplier under the "Interest on delayed payments to small scale and Ancillary Act, 1993".

2.5 The company is availing various working capital facilities from HDFC Bank Limited and State Bank of India in the financial year under review and the quarterly returns or statement of assets filed by company are in agreement with books of account.

2.6 The company has no transactions with struck-off companies during the year under review.

2.7 The company has made a recovery suit against its customer "M/s Rajiv Industries" for recovery of dues of Rs.42.95 Lakhs under MSME Act.

2.8 **Accounting for Taxes on Income**

The disclosure requirements as per the Accounting Standards (AS-22) on 'Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India is as under:-

Particulars	(Rupees in Lakhs)	
	Deferred Tax	
	Debit	Credit
Deferred Tax Liabilities as on 01.04.2022	--	151.81
Deferred Tax Expenses recognized during the year due to timing difference between depreciation as per Income Tax Act, 1961 & as per books of account for the year 2022-23	172.51	--
Net Deferred Tax Liabilities as on 31.03.2023	--	456.44

2.9 **Earning Per Share**

Particulars	Year ended March 31,	
	2023	2022
Profit for the year allowable to equity share holder **(in lacs)**	965.78	772.77
Weighted Average number of equity shares outstanding during the year (Nos.)	2538885	2144191
Basic & Diluted Earnings per Share (Rs.)	32.05	36.04

S P A A AND ASSOCIATES CA CHARTERED ACCOUNTANTS FRN:010268N LUDHIANA

2.10 **Payment to Auditors**

Particulars	**Year ended March 31,**	**(Rupees in lacs)**
	2023	**2022**
Audit Fees	3.42	2.34
Total	**2.34**	**2.34**

2.11 Leases

Obligations on long term, non-cancellable operating leases:- The lease rentals charged during the period and the obligations on long-term, non-cancellable

Particulars	**Year ended March 31,**	**(Rupees in lacs)**
	2023	**2022**
Lease Rentals recognized during the period	1.20	1.20

Particulars	**Year ended March 31,**	**(Rupees in lacs)**
Lease obligations payable	**2022**	**2022**
Within one year of the Balance Sheet date		
Due in a period between one year and five years	1.20	1.20
Due after five years	4.80	4.80
	10.80	12.00

The operating lease agreements are renewable on a periodic basis and for most of the leases and relate to rented premises.

2.12 **Related Party Disclosures as required by the Accounting Standard 18 (AS 18):** affiliated companies/ firms and its subsidiary and key management personnel. The names of the related parties of the companies as required to be disclosed

(i) Directors and KMPs
- Sh. Binny Gupta
- Sh. Chetna Gupta

(ii) Relatives of Directors and KMPs
- Sh. Dev Raj Gupta
- Smt. Usha Gupta

(iii) Related Parties
- Renny Steel Castings Private Ltd
- Noval Paint (India) Limited
- Renny Exports

(iv) Disclosure of transactions between the company and related parties are as follows:

Particulars	**Year ended March 31,**	**(Rupees in lacs)**
	2023	**2022**
Remuneration to Directors	180.00	102.00
Lease Rent	1.20	1.20
Salary	120.00	28.20
Unsecured Loans outstanding at the end of the year	2865.35	2020.24

2.13 **Contingent Liabilities**

Particulars	**2022-2023**	**(Rupees in lacs) 2021-2022**
Contingent Liabilities not provided for in respect of bank guarantee	250.00	250.00

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2.14 Managerial Remuneration

Particulars / Designation	(Rupees In lacs) 2022-2023	2021-2022
Sh. Binny Gupta (Director)	120.00	68.00
Smt. Chetna Gupta (Director)	60.00	34.00

2.15 Cash Flow Statement:

Cash Flow statement are reported separately as specified in the accounting Standard 3 (AS-3) Cash Flow Statement.

2.16 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	(Rupees in lacs) 2022-23	2021-2022
Amount required to be spent by the company during the year	9.14	6.67
Excess CSR Exepnses B/F	0.06	0
Amount of expenditure incurred	18.75	6.73
Excess CSR Exepnses C/F	9.68	0.06
Shortfall at the end of the year	--	--
Total of previous years shortfall	--	--
Reason for shortfall		
Nature of CSR activities	As per Detail below	As per Detail below
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	--	--
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	--	--

The company has covered under section 135 of the Companies Act during the year under review: The Company has incurred the following corporate social responsibility expenses:

Particulars	(Rupees in lacs) 2022-2023	2021-2022
Medical Equipment to Shri Raghunath Hospital	0.00	0.73
Payment to Punjab Disaster Management Authority	0.00	5.00
Payment to Christian Medical College	0.00	1.00
Shed Building in Shaheed Prem Singh Govt. High School	4.40	0.00
Water Cooler in Shaheed Prem Singh Govt. High School	0.40	0.00
Planation (400 Trees)	1.45	0.00
Payment to S.Amar Singh Education Trust	12.50	0.00
Total	18.75	6.73

SPAA AND ASSOCIATES
CHARTERED ACCOUNTANTS
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2.17 **Additional information pursuant to the provisions of part II of schedule III to the Companies Act, 2013.**

(Rupees in

Particulars	2022-2023	2021-2022
Value and percentage of Raw Materials and Stores and Spares Consumed		
-- Raw Materials		
-- Indegenious	36349.31	24371.23
	78.84%	100.00%
-- Imported	9756.61	0.00
	21.16%	0.00%
Total	**46105.92**	**24371.23**
	100.00%	**100.00%**
-- Store & Spares		
-- Indegenious	761.41	640.32
	100.00%	100.00%
-- Imported	0.00	0.00
	0.00%	0.00%
Total	**761.41**	**640.32**
	100.00%	**100.00%**
C.I.F.Value of Imports:		
-- Capital Goods	-	
-- Raw Materials	0.00	0.00
--Stores & Spares	9009.93	0.00
	0	0
Expenditure in Foreign Currency		
--Travelling exp	4.03	0
Earnings in Foreign Currency		
-- F.O.B.Value of Export Sales	0	0

2.18 Previous year figures have been recasted/ regrouped wherever necessary to make these comparable with current year's

2.19 The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

S. No.	Ratio Formula	31.03.2023	31.03.2022	VARIANCE	Reasons for Variance
1	Current Ratio Current Assets Current Liabilities	1.39	1.71	-19.06%	Due to increase in Current Liabilties
2	Debt-Equity Ratio Debt Equity	1.67	1.44	15.93%	Due to increase in Debt
3	Debt Service Coverage Ratio Earnings Available for debt service Interest + Instalments	1.31	1.37	-4.66%	Due to increase in Debt repayment and
4	Return on Equity Ratio Net Profits After Taxes+ Pref. Dividend (if any) Equity Shareholders' Funds	21.61%	22.65%	-4.61%	Due to increase in Shareholder's Fund
5	Inventory Turnover Ratio Sales Average Inventory	13.25	11.18	18.48%	Due to increase in Sales
6	Trade Receivables Turnover Ratio Credit Sales Average Accounts Receivable	13.79	13.50	2.19%	Due to increase in Sales
7	Trade Payables Turnover Ratio Credit Purchases Average Accounts Payables	45.57	27.42	66.18%	Due to decrease in Trade Paybles

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN:010288N LUDHIANA

8	Net Capital Turnover Ratio Sales Capital Employed	4.30	3.73	15.42%	Due to increase in Sales
9	Net Profit Ratio Net Profits After Taxes Sales	1.81%	2.48%	-27.10%	Due to lower profit margins in comparison to
10	Return on Capital Employed Earnings Before Interest and Taxes Capital Employed	18.06%	16.39%	10.23%	Due to increase in earnings
11	Return on Investment Net Profits After Taxes Investment	NA	NA	NA	NA

For S P A A And Associates
Chartered Accountants
Firm Regd.No.[illegible]10288N

SPAA AND ASSOCIATES CHARTERED ACCOUNTANTS FRN [illegible] LUDHIANA

Sumat [illegible]
Partner
M.No.[illegible]

Dated:- - 8 AUG 2023
Place:-Ludhiana

On or behalf of Board
For Renny Strips Private Limited

Chetna Gupta

Binny Gupta
(Director)
DIN:00893244

Chetna Gupta
(Director)
DIN:00917984