AUDITED FINANCIAL STATEMENTS

OF

SAMBHV SPONGE POWER PVT. LTD.

Financial Year 2022-23

Auditor :

ADB & COMPANY, Chartered Accountants,
First Floor, Mahavir Gaushala Complex,
K.K. Road, Moudhapara, Raipur (C.G.)
Phone : 0771 - 2524621, 2888043, 2880522
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A D B & Company, Chartered Accountants
(ICAI Firm Regn. No. 005593C)

First Floor, Mahavir Gaushala Complex,
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INDEPENDENT AUDITOR'S REPORT

To,
The Members,
SAMBHV SPONGE POWER PRIVATE LIMITED
RAIPUR (C.G.)

REPORT ON THE FINANCIAL STATEMENTS:

Opinion

We have audited the accompanying Financial Statement of **SAMBHV SPONGE POWER PRIVATE LIMITED, RAIPUR ("the Company"),** which comprise the Balance Sheet as at **31st MARCH, 2023,** the Statement of Profit & Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Act in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023, its Financial Results 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the note No. 2.27 relating to Employees Benefit where no provision is made in the books of accounts for post employment and other long term benefits. Our opinion is not modified in this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701 – Key audit matters are not applicable to the unlisted company.

Other Information

The Company's Board of Directors is responsible for the other information.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

Responsibility of Management for 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 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements:

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

2. As required by section 143(3) of the Act, we report that:

   a) We have 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 appears from our examination of those books;

   c) The Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;

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

   e) On the basis of written representations received from the Directors, as at 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 Directors in terms of Section 164(2) of the Act and

   f) With respect to the adequacy of the internal financial controls with reference to Financial Statements 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 the requirements of Sec 197(16) of the Act as amended, we report that Section 197 is not applicable to a private company. Hence reporting as per Section 197(16) is not required.

   h) With respect to 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) The Company does not have any pending litigations which would impact its financial position.

      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 required to be transferred to the Investor Education and Protection Fund by the Company.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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

c) Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v) The Company has not declared/paid dividend during the year hence provisions of section 123 of the Companies Act, 2013 are not applicable on the company.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable with effect from April 1, 2023 to the Company 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, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C,

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

(Rajesh Kumar Chawda)
Partner
Membership No. 405675
UDIN-23405675BGWNR07584

PLACE : RAIPUR
DATED : 28.07.2023

Report under the companies (Auditor's Report) Order, 2020 (CARO 2020)

The Annexure-A to independent Auditor's Report

We report that:

i) In respect of its Property, Plant & Equipments:

a) i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.

ii) The Company is maintaining proper records showing full particulars of Intangible Assets.

b) As explained to us, all the Property, plant & Equipment have been physically verified by the management in a phased periodical manner, which in our opinion seems to be reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification as confirmed by the management.

c) According to information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.

d) The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.

e) As explained to us, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

ii) a) As explained to us, physical verification of inventory has been conducted at regular intervals by the management. In our opinion the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory was noticed on physical verification of stocks by the management as compared to book of account.

b) During the year the company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate from the bank on the basis of security of current assets. The company has filed the quarterly returns or statements which are in agreement with the books of accounts other than those as set out below :-

(₹ In Lac)

Bank Name	Working capital limits (₹ Lac)	Nature of current assets offered as security	Quarter ended	Amount disclosed statement (₹ Lac) NWC	Amount as per books of accounts (in ₹ Lac)	Difference (₹ in Lac)	Reason for Difference
SBI & Consortium of Banks	9700.00	Refer Note below*	30.06.2022	7357.27	7448.79	(91.52)	Due to less consideration of Current Assets
SBI & Consortium of Banks	12200.00	Refer Note below*	30.09.2022	5850.08	6003.24	(153.16)	Due to less consideration of Current Assets
SBI & Consortium of Banks	12200.00	Refer Note below*	31.12.2022	9308.68	9462.85	(154.17)	Due to less consideration of Current Assets
SBI & Consortium of Banks	12200.00	Refer Note below*	31.03.2023	10706.55	10706.55	-	-

*Hypothecation of all kinds of Raw Material, Finished Goods, Stock-in-process, book debts, stores & Spares situated at factory premises or at any other place including goods in transit, outstanding moneys, book debts/receivables and advances. (Also refer to Note 2.05 to the financial statements)

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ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

iii) a) During the year the company has not made any investments in, nor provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties except to one Associate company where it has given unsecured loan of ₹ 600 Lacs and its year end balance is Nil.

b) As per information & explanations provided to us by the management, the terms & conditions of the loans provided during the year are not prejudicial to the interest of the company.

c) The Company has entered into a formal written agreement in respect of such loan and as per information provided to us by the management and relevant records produced before us, it is observed that company has earned interest income of ₹ 9.90 Lacs on such loan.

d) No amount of loan provided during the year is outstanding at the balance sheet date. Hence reporting under this sub-clause is not applicable.

e) The Company has not renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, whose loan or advance in the nature of loan granted has fallen due during the year.

f) The company has neither granted any loans or advances in the nature of loan repayable on demand nor specifying the terms of period of repayment.

iv) In respect of loans, investments, guarantees, and security, provisions of sections 185 and 186 of the Companies Act have been complied with.

v) According to the information & explanation given to us, the company has not accepted any deposits or amounts which are deemed to be deposits covered under sections 73 to 76 of the Companies Act, 2013.

vi) We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

vii) In respect of statutory dues:

a) According to the information and explanations given to us and on the basis of our examination of the records, the company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities except for a few instances which were not material. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2023 for a period of more than six months from the date they became payable

b) According to the information and explanation given to us and the records of the company as examined by us there are no dues of Income Tax, Sales tax, Wealth tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have not been deposited as on account of disputes except the following :-

Sl. No.	Nature of Statue	Nature of Dues	Amount (₹. In Lac)	Period to which the amount relates	Forum where dispute is pending
01	IT - TDS	Demand as per Traces portal	12.70	Various years	Traces/Portal (Subject to rectification/payment if any)
02	Income Tax	Income Tax Demand	1.59	A.Y. 2020-21	
03	Income Tax	Income Tax Demand	12.73	A.Y. 2021-22	
04	GST	Relating to issues of E-way Bill	Tax 3.31 Penalty 3.31	A.Y.2021-22	State GST Appellate Authority, Jabalpur (M.P.)

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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viii) According to the information and explanations given by the management, no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

d) In our opinion and according to the information and explanations given by the management, No funds have raised on short term basis have been utilized for long term purposes hence reporting under this sub clause is not applicable.

e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x) a) The company is a private limited company hence the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

b) According to the information and explanation given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Therefore, reporting under this clause for Section 42 and section 62 of Companies Act, 2013 is not required.

xi) a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

c) According to the information and explanations given to us by the management, no whistle-blower complaints had been received by the company.

xii) In our Opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, CARO 2020 is not applicable to the Company.

xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, where applicable and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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xiv) According to the information and explanations given by the management, the company has appointed an Internal Auditor to gets its books of accounts on a quarterly basis. The reports of Internal Auditor for the period under audit have been considered by us.

xv) The Company has not entered into any non-cash transaction with Directors or persons connected within as per the provisions of Section 192 of the Companies Act, 2013. Accordingly, the provisions of clause (xv) of the paragraph 3 of the Order are not applicable to the Company.

xvi) a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934),

b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934,

c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

xvii) Based on our examination, the company has not incurred cash losses during the Current or Preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. And accordingly the reporting under Clause 3(xviii) of the Order is not applicable.

xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that the company's performance has positively improved in comparison with previous year therefore no 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 further state that our reporting is based on the facts upto 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) The company has during the year spent the amount towards its Corporate Social Responsibility as required under sub-section (5) of Section 135 of the Act as disclosed in Note 2.31 to the audited financial statement.

xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause is applicable to be made.

For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

ADB & COMPANY * F.R.N.-005593C * RAIPUR (C.G.) * CHARTERED ACCOUNTANTS *

(Rajesh Kumar Chawda)
Partner
Membership. No. 405675

PLACE : RAIPUR
DATED : 28.07.2023

ANNEXURE - B to the Independent Auditor's Report

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 **SAMBHV SPONGE POWER PRIVATE LIMITED**, RAIPUR ("The Company") as of 31st MARCH, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls :

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

Auditor's 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 prescribe under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial control, 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 procedure 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 risk of material misstatement of the financial statement, 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 control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, is 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 and timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

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 subjects 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 31st March 2023 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C



(Rajesh Kumar Chawda)
Partner
Membership No. 405675

PLACE: RAIPUR
DATED: 28.07.2023

SAMBHV SPONGE POWER PRIVATE LIMITED

BALANCE SHEET AS AT 31st March , 2023

(All the amounts are in INR in Lacs unless otherwise specified)

	Notes	As at 31st March 2023	As at 31st March 2022
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	2.01	2,009.03	2,009.03
(b) Reserves and Surplus	2.02	19,103.93	13,077.21
2. Non-Current Liabilities			
(a) Long-Term Borrowings	2.03	16,963.20	13,663.36
(b) Deferred Tax Liability	2.04	1,431.59	1,000.33
3. Current Liabilities			
(a) Short-Term Borrowings	2.05	9,739.78	10,478.78
(b) Trade Payables	2.06		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises		12.57	81.33
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		1,881.70	2,024.78
(c) Other Current Liabilities	2.07	2,145.21	2,284.50
(d) Short Term Provisions	2.08	27.91	1,200.14
TOTAL (1 to 3) :		**53,314.93**	**45,819.45**
II. ASSETS			
1. Non-Current Assets			
(a) Property, Plant & Equipment :			
(i) Tangible Assets	2.09(A)	29,179.82	23,492.75
(ii) Intangible Assets	2.09(B)	12.82	18.73
(b) Capital-work-in-progress	2.09(C)	2,150.83	1,669.63
(c) Long Term Loan & Advances	2.10	875.58	587.86
2. Current Assets			
(a) Inventories	2.11	14,144.70	12,151.27
(b) Trade Receivables and Others	2.12	1,719.05	1,567.64
(c) Cash and Cash Equivalents	2.13	338.05	147.24
(d) Short-Term Loans and Advances	2.14	4,213.95	5,389.30
(e) Other Current Assets	2.15	680.13	795.02
TOTAL (1 to 2) :		**53,314.93**	**45,819.45**
III. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 & 2		

AS PER OUR REPORT OF EVEN DATE,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

For and on behalf of Board

(Manoj Kumar Goyal)	(Vikas Kumar Goyal)	(Trisha Bajpai)	(Rajesh Kumar Chawda)
Director	Director	Company Secretary	Partner
DIN - 02112472	DIN - 00318182	PAN - BZWPB7539K	Membership No. 405675

PLACE : RAIPUR
DATED : 28.07.2023

SAMBHV SPONGE POWER PRIVATE LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st March 2023

(All the amounts are in INR in Lacs unless otherwise specified)

	Notes	For the year Ended on	
		31st March 2023	31st March 2022
I. INCOME :			
- Revenue from Operations	2.16	93,627.27	81,938.85
- Other Income	2.17	517.20	665.83
Total Revenue (I) :		**94,144.47**	**82,604.69**
II. EXPENSES :			
- Cost of Raw Materials & Stores Consumed	2.18	69,211.85	64,636.52
- Purchase of Trading Goods		5,691.89	1,354.38
- (Increase) / Decrease in inventories of Finished Goods	2.19	(3,023.98)	(2,818.72)
- Employee Benefits Expenses	2.20	3,676.36	2,043.93
- Other Expenses	2.21	6,608.41	4,746.42
- Financial Costs	2.22	2,173.79	1,822.10
- Depreciation and Amortization Expense	2.09(A) & (B)	1,592.03	1,007.63
Total Expenses (II) :		**85,930.35**	**72,792.26**
III. Profit Before Excep. & Extra ordinary items & Tax (I-II)		**8,214.13**	**9,812.43**
IV. Exceptional Items		-	-
V. Profit Before Extra Ordinary items & Tax (III-IV)		**8,214.13**	**9,812.43**
VI. Extraordinary Items (Loss on sale of assets)		(16.51)	(8.28)
VII. Profit Before Tax (V-VI)		**8,197.62**	**9,804.15**
VIII. Tax Expense:			
(1) Deferred Tax Liabilities/(Assets)	2.04	431.26	468.27
(2) Current Tax (Income Tax & Surcharge)	2.08	1,635.91	1,999.76
(3) Tax Related to Earlier Years		103.74	43.81
IX. Profit for the period (VII - VIII)		**6,026.71**	**7,292.31**
X. Earning per Equity Share:			
Basic & Diluted		0.00	0.00
Weighted Average number of Equity Shares (Face value of ` 10/-each)		20,090,300	20,090,300
XI. SIGNIFICANT ACCOUNTING POLICIES AND NOTE	1 & 2		

AS PER OUR REPORT OF EVEN DATE,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

For and on behalf of Board

(Manoj Kumar Goyal)	(Vikas Kumar Goyal)	(Trisha Bajpai)	(Rajesh Kumar Chawda)
Director	Director	Company Secretary	Partner
DIN - 02112472	DIN - 00318182	PAN - BZWPB7539K	Membership No. 405675

PLACE : RAIPUR
DATED : 28.07.2023

SAMBHV SPONGE POWER PRIVATE LIMITED

Cash Flow Statement For the Financial year ended on 31.03.2023

(All the amounts are in INR in Lacs unless otherwise specified)

		Year ended on	
		31st March 2023	31st March 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
1	Net Profit Before Taxation	8,197.62	9,804.15
2	Adjustment for		
	- Depreciation	1,592.03	1,007.63
	- Financial Charges	2,173.79	1,822.10
	- Interest Earned	(9.90)	(10.46)
3	Operating Profit before working capital changes (1 + 2)	11,953.54	12,623.42
4	Changes in working capital (excluding Cash & Bank Balance)		
	- Decrease / (Increase) in Stock	(1,993.43)	(8,603.42)
	- Decrease / (Increase) in Debtors	(151.41)	(804.69)
	- Decrease / (Increase) in Current Loans & Advances	1,855.10	(747.25)
	- Increase / (Decrease) in Current Liabilities	(1,523.35)	2,683.12
5	Cash generated from operations (3 + 4)	10,140.46	5,151.17
6	Income tax (Paid) / Refund	(1,739.65)	(2,043.57)
7	Cash Flow before Extraordinary Items	8,400.82	3,107.60
8	Add: Extraordinary Items	16.51	8.28
	NET CASH FROM OPERATING ACTIVITIES (5 + 6)	**8,417.32**	**3,115.88**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	- Increase in Fixed Assets	(7,475.98)	(13,145.02)
	- Sale of Fixed Assets	186.29	19.00
	- Decrease/(Increase) in Capital W.I.P	(481.19)	4,293.15
	- Interest on Loans & Advances	9.90	10.46
	- Advance to Suppliers for Capital Goods	(852.59)	(748.63)
	NET CASH FROM INVESTING ACTIVITY	**(8,613.56)**	**(9,571.05)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	- Increase / (Decrease) in Secured Long Term Loan	3,369.51	2,129.70
	- Increase / (Decrease) in Unsecured Loan	(69.66)	(176.51)
	- Increase / (Decrease) in Cash Credit Loan	(739.00)	6,390.87
	- Financial Charges paid	(2,173.79)	(1,822.10)
	NET CASH FROM FINANCING ACTIVITY	**387.06**	**6,521.97**
	NET INCREASE IN CASH & CASH EQUIVALENT (A + B + C)	**190.82**	**66.79**
	Cash & Cash Equivalent at the beginning of period	147.24	80.44
	CASH & CASH EQUIVALENT AT END OF PERIOD	**338.05**	**147.24**
	- Cash in hand	15.52	4.00
	- Balance with Schedule Bank in Current Account	322.54	143.23
	Total Cash & Cash Equivalent	**338.05**	**147.24**
	SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1&2	

AS PER OUR REPORT OF EVEN DATE,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

ADB & COMPANY * F.R.N. - 005593C * RAIPUR (C.G.) * CHARTERED ACCOUNTANTS *

(Rajesh Kumar Chawda)
Partner
Membership No. 405675

For and on behalf of Board

(Manoj Kumar Goyal)	(Vikas Kumar Goyal)	(Trisha Bajpai)
Director	Director	Company Secretary
DIN - 02112472	DIN - 00318182	PAN - BZWPB7539K

PLACE : RAIPUR
DATED : 28.07.2023

NOTES FORMING PART OF FINANCIAL STATEMENTS

CORPORATE INFORMATION

SAMBHV SPONGE POWER PRIVATE LIMITED (the "Company") is a private Limited Company domiciled in India and incorporated on 24.04.2017 under the provisions of the Companies Act, 2013. The Company is engaged in the Manufacturing of Sponge Iron and Billets, H.R Coil, Pipes and generation of Power.

1. SIGNIFICANT ACCOUNTING POLICIES

1.01 Basis of Preparation Of Financial Statements :

a) The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, the applicable Accounting Standards notified under section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

b) Revenue/Income and Cost/Expenditure are generally accounted on accrual basis as they are earned or incurred under the mercantile system of accounting.

1.02 Use of Estimates:

The presentation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affects the reported amount of assets and liabilities and disclosures relating to Contingent Liabilities as the date of the financial statements and the reported amount of revenues and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material, their effects are disclosed in the notes of the financial statements.

1.03 Revenue Recognition:

Revenue is primarily derived from Sale of Goods and Interest from Deposits and is recognized when services are rendered and related cost incurred.

Revenues are reported net of discounts.

Revenues from the sale of goods are recognised upon delivery, which is when title passes to the customer.

1.04 Property, Plant and Equipment & Depreciation:

a) Property, Plant & Equipments are stated at cost of acquisition or construction net of GST credit less accumulated depreciation/ amortization. All Costs and expenses, including financial costs till commencement of commercial production attributable to fixed assets are capitalized. Free-hold land is stated at cost.

b) Depreciation on Property, Plant & Equipments is charged on Straight Line method on a pro rata basis at the rate Specified in Schedule II to the Companies Act, 2013. Depreciation on such assets has not been charged which are not put to use.

c) An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss. Property, Plant and Equipment which are found to be not usable or retired from active use or when no further benefits are expected from their use are removed from the books of account and the carrying value if any is charged to Statement of Profit and Loss.

d) Capital work in progress includes cost of property, plant and equipment under installation/under development as at the balance sheet date.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Contd...2...

SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

1.05 Intangible Assets:

Computer software Recognition and measurement Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets viz. Computer software and product registration, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

1.06 Inventories:

a) Inventories are valued cost or Net Realizable Value whichever is lower (on FIFO basis).

b) Finished Goods – Cost of finished goods includes direct materials, labour, proportion of manufacturing overheads and other cost incurred in bringing the inventories to their present location and condition.

1.07 Borrowing Cost:

Borrowing costs are expensed as incurred except where they are directly attributable to the acquisition, construction or production of qualifying assets i.e. the assets that necessarily takes substantial period of time to get ready for intended use, in which case they are capitalised as part of the cost of those asset up to the date when the qualifying asset is ready for its intended use.

1.08 Impairment of Assets:

On date of Balance Sheet, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the assets estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and risk specific to the asset.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

1.09 Employee Benefits:

I. Short term employee benefits are charged off at the undiscounted amount in the year in which the related service rendered.

II. Post employment and other long-term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable.

1.10 Provision, Contingent Liabilities and Contingent Assets:

Provision involving substantial degree of estimation in measurement is recognized when there is present obligation as a result of past events and it is possible that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

1.11 Cash and Cash Equivalents :

The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents.

Contd...3...

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR: 2022-23

1.12 Provision of Current and Deferred Tax:

Provision of current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax is accounted for by computing the tax effect of timing differences which arises during the year. Deferred Tax Liability is calculated by applying Tax rate and Tax Laws that have been enacted by the Balance Sheet date. Deferred Tax Liability has arisen mainly on account of Depreciation under Tax Laws.

1.13 Foreign Currencies Transactions and Translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency's closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

In case of an asset, expense or income where a non-monetary advance is paid/received, the date of transaction is the date on which the advance was initially recognized. If there were multiple payments or receipts in advance, multiple dates of transactions are determined for each payment or receipt of advance consideration.

1.14 Cash Flow Statements:

The Cash Flow Statement is prepared as per the Indirect Method prescribed under "Accounting Standard - 3" Cash Flow Statement issued by the Institute of Chartered Accountants of India.

1.15 Earning Per Share:

Basic Earnings per share is calculated by dividing the net profit/loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events including bonus issue, if any.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Contd...4...

SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	As at 31.03.2023	As at 31.03.2022
2.01 SHARE CAPITAL		
Authorised Capital :		
2,25,00,000 Equity Shares of ₹ 10/- each	**2,250.00**	**2,250.00**
(Previous Year 2,25,00,000 Eauity shares @ ₹ 10/- each)		
Issued, Subscribed & Paid up Capital :		
2,00,90,300 Equity Shares of Rs. 10/- each fully paid up	2,009.03	2,009.03
(Previous Year 2,00,90,300 Eauity shares @ ₹ 10/- each)		
	2,009.03	**2,009.03**

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2023		As at 31.03.2022	
	shares	₹	No. of shares	Amount in ₹
Outstanding at the beginning of the period	20090300	200903000	20,090,300	200,903,000
Issued during the period	-	-		
Outstanding at the end of the period	20090300	200903000	**20,090,300**	**200,903,000**

b) Terms/rights attached to equity shares

The company has only one class of equity shares having at par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all prefrential amounts. The distribution will be in proportion to the number of equity

c) Details of shareholders holding more than 5% shares in the company.

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of shares	% holding	No. of shares	% holding
Smt. Rinku Goyal	1618010	8.05	847510	4.22
Smt. Archana Goyal	1618000	8.05	755000	3.76
Smt. Sheetal Goyal	1618000	8.05	660000	3.29
Smt. Suman Goyal	1620500	8.07	2270000	11.30
Smt. Kaushalya Devi Goyal	1618000	8.05	2160000	10.75
Ganpati Sponge Iron Pvt. Ltd.	1933300	9.62	3333300	16.59
Shri Brijlal Goyal	1724000	8.58	2526500	12.58
Shri Suresh Kumar Goyal	1724000	8.58	2396000	11.93
Shri Vikas Kumar Goyal	1723990	8.58	1516940	7.55
Shri Ashish Goyal	1723950	8.58	2181000	10.86
Shri Manoj Kumar Goyal	1723510	8.58	10	0.00

d) Details of share holding by promoters in the company.

Particulars	As at 31.03.2023		As at 31.03.2022		Change during the year	
	No. of Shares	% holding	No. of Shares	% holding	No. of Shares	% Change
Shri Suresh Kumar Goyal	1724000	8.58	2396000	11.93	(672,000)	(28.05)
Shri Ashish Goyal	1723950	8.58	2181000	10.86	(457,050)	(20.96)
Shri Manoj Kumar Goyal	1723510	8.58	10	-	1,723,500	17,235,000
Shri Vikas Kumar Goyal	1723990	8.58	1516940	7.55	207,050	13.65

2.02 RESERVE & SURPLUS			
Surplus /(deficit) in the statement of profit and loss			
Opening Balance at the beginning of the year		12,410.56	5,118.26
Net Profit for the current year		6,026.71	7,292.31
Net Surplus in the statement of Profit and Loss Acount	**(A)**	**18,437.28**	**12,410.56**
Securities Premium Account			
Opening Balance at the beginning of the year		666.65	666.65
Add: Received During the year		-	-
Total Securities Premium	**(B)**	**666.65**	**666.65**
Net surplus in the statement of profit and loss	**(A+B)**	**19,103.93**	**13,077.21**

ADB & COMPANY CHARTERED ACCOUNTANTS F.R.N.-005593C RAIPUR (C.G.)

Contd…5...

SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars		As at 31.03.2023	As at 31.03.2022
2.03 LONG TERM BORROWINGS			
Term Loan From Bank			
- Axis Bank		1,200.00	-
- State Bank of India		560.84	-
- HDFC Bank Limited		9,343.21	6,874.01
- YES Bank Limited		1,007.06	1,253.83
GECL From Bank		-	-
- State Bank of India		256.99	412.99
- HDFC Bank Limited		1,754.02	2,047.77
- Yes Bank Limited		94.88	144.38
Vehicle Loan From Bank			
- Axis Bank		54.47	85.15
- HDFC Bank Limited		69.23	94.74
- Kotak Mahindra Bank		-	1.78
- Union Bank of India		47.69	104.21
	(A)	**14,388.38**	**11,018.87**
-From Directors, Shareholders, Relatives and Other			
- From Directors		327.35	261.01
- From Shareholders		1,957.68	998.78
- From Other Corporates		76.82	1,132.25
- From Relatives Of Director		212.97	252.46
	(B)	**2,574.82**	**2,644.49**
The above amount includes			
- Secured Borrowings		14,388.38	11,018.87
- Unsecured Borrowings		2,574.82	2,644.49
	(A+B)	**16,963.20**	**13,663.36**

a) **Term Loan -** from **HDFC Bank Limited** carries interest and Monthly Instalments (As per Mutual Agreement) along with interest. The loan is secured by Exclusive charge over Plot No. A-31 situated at Wallfort City, Ward No.-63, Shyama Mukherjee Ward, Raipur in the name of Shri Ashish Goyal & Smt. Archana Goyal, Plot No. A-31, 4000 SQ. FT valuing Rs. 346.46 lacs as per valuation report of Satish Bhawani. Exlusive charge over Samata Shopping Arcade , PH No.106, Swami Atmanand Ward, Ward No.15, Samata Colony, Raipur in the name of Ganpati Sponge Iron Pvt. Ltd., 310A, 424.60 Sq Ft valuing Rs.44.58 lacs as per valuation report of Satish Bhawani., Plot No. A-43, A-44, A-45, A-46 2845.20 SQ Mtr.Exclusive charge over Santishi Nagar Tikrapars Ph. No. 114 Raipur in individual names in the name of Shri Brijlal Goyal, Smt. Kaushalya Devi goyal, Shri Suresh Kumar Goyal, Shri Manoj Kumar Goyal, Shri Vikas Kumar Goyal. Shri Ashish Goyal Kh. No. 556/3 & 556/5. Exclusive charge over land situated at Sejbahar Kh. No.-501/37 (Include Kh. no. 502/8, 503/8, 504/8, 505/11, 506/8), Kh. No 501/7 (Include Kh. no. 502/1, 503/1, 504/1, 505/1, 506/1, 501/36) & Kh. No.501/35 (Include Kh. no. 502/7, 503/7, 504/7, 505/10, 506/7) Kh. No 501/38-39 (Include Kh. no. 502/9, 503/9, 504/9, 505/12, 506/9) which is jointly owned by Sheetal Goyal & Brijdham Polymers Pvt. Ltd.. First and exclusive charge over the proposed Plant & Machinery, factory building and shed of 3rd Sponge Iron Kiln Induction Furnace with CCM Financed by HDFC Bank and PP Charges over the other fixed assets of the coy. Second Pari Passu charge by way of Hypothication of Stocks, Book Debts and other current assets of the Company and personal guarantee of the directors and relatives. Equitable Mortgage of Residential house (Promoter Bunglow) at Santoshi Nagar, Raipur. Equitable Mortgage of Corporate Office at Harshit Tower. Equitable Mortgage of Bunglow Constructed over Plot No. A-42, admeasuring 4000 Sq.Ft. in the name of Shri Suresh kumar Goyal situated at Wallfort City Ward No.63, Shyama

b) **Term Loan -** From **Yes Bank** of ₹315.00 Lacs which is Takeover of Term Loan from Union Bank of India, carrying a rate of Interest of "YBL 3 Month MCLR + 0.35%" repayable in 39 monthly installment (which is balance tenor with UBI). The Loan is secured with second pari passu charge on the current asset of the company with other term lenders under consortium, First pari passu charge on Movable Fixed asset of the company with other term lenders under consortium, First pari passu charge on the Immovable Fixed Asset of company with other banks under consortium, First pari passu charge on collateral properties in the nature of commercial, residential & industrial properties with BOB/ SBI & Axis Bank.

c) **Term Loan -** From **Yes Bank** of ₹1,600.00 Lacs which is for the purpose of capex/ reimbursement of capex, carrying a rate of Interest of "YBL 3 Month MCLR + 0.35%" repayable in a tenor of 60 months & having a moratorium period of 1 Year. The Loan is secured with second pari passu charge on the current asset of the company with other term lenders under consortium, First pari passu charge on Movable Fixed asset of the company with other term lenders under consortium, First pari passu charge on the Immovable Fixed Asset of company with other banks under consortium, First pari passu charge on collateral properties in the nature of commercial, residential & industrial properties with BOB/ SBI & Axis Bank.

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

Contd...6...

SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

d) **Term Loan** - From **State Bank of india** of ₹2650.00 Lacs which is for the purpose of setting up of SMS of 1,08,000 TPA, Pipe Mill of 1,00,000 AND 132 KVA Line, carrying a rate of Interest of " half -Yearly MCLR + 0.90%" repayable in a tenor of 110 months & having a moratorium period of 14 Months. The Loan is secured with second pari passu charge on the current asset of the company with other term lenders under consortium, First pari passu charge on Movable Fixed asset of the company with other term lenders under consortium, First pari passu charge on the Immovable Fixed Asset of company with other banks under consortium, First pari passu charge on collateral properties in the nature of commercial, residential & industrial properties with BOB/ SBI & Axis Bank.

e) **Term Loan** - From **Axis Bank** of ₹1500.00 Lacs which is for the purpose of Machineries and Construction of Building, carrying a rate of Interest of " Repo + 3.50%" repayable in a tenor of 68 months & having a moratorium period of 08 Month. The Loan is secured with second pari passu charge on the current asset of the company with other term lenders under consortium, First pari passu charge on Movable Fixed asset of the company with other term lenders under consortium, First pari passu charge on the Immovable Fixed Asset of company with other banks under consortium, First pari passu charge on collateral properties in the nature of commercial, residential & industrial properties with SBI, HDFC & Yes Bank.

f) **Guaranteed Emergency Credit Line (GECL) - WCTL** - From **State Bank of India** of ₹557.00 Lacs which is repayable in 48 monthly instalment of Rs.0.12 Cr. After a moratorium of 12 months (Starting from 01.03.2021), carrying a Interest Rate of .95% + 6M MCLR, present effective rate is 8.65% subject to a maximum of 9.25% p.a. The loan is secured with Government Guarantee & second pari passu charge on both primary and secondary security with other banks under consortium.

g) **Guaranteed Emergency Credit Line (GECL) - WCTL** - From **HDFC Bank** of ₹Rs.1,175.00 Lacswhich is repayable in 48 monthlt instalment after a moratorium of 12 months, carrying a rate of interest of Current Reference Rate + 1% i.e. presently charged @ 9.25% p.a. The loan is secured with extension of second ranking charge over existing primary and collateral securities including mortgage created in favor of Bank & also 100% guarantee by National Credit Guarantee Trust Company Ltd. (NCGTC).

h) **Guaranteed Emergency Credit Line (GECL) 2.0 Extension - WCTL** - From **HDFC Bank** of ₹1,191.00 Lacs which is repayable in 48 monthlt instalment after a moratorium of 24 months, carrying a rate of interest of Current Reference Rate + 0.25% i.e. presently charged @ 8.95% p.a. The loan is secured with extension of second ranking charge over existing primary and collateral securities including mortgage created in favor of Bank & also 100% guarantee by National Credit Guarantee Trust Company Ltd. (NCGTC).

i) **Guaranteed Emergency Credit Line (GECL) 2.0- WCTL** - From **Yes Bank** of ₹198.00 Lacs carrying a rate of interest of "1Year MCLR" which is given for the purpose of working capital (Takeover of Existing GECL from Union Bank of India) repayable in maximum 58 months. The loan is secured with Second charge on current asset, movable fixed asset, immovable fixed asset & collateral securities with other bank under consortium & 100% Credit Guarantee by National Credit Guarantee Trust Company Ltd. (NCGTC).

j) **Vehicle loan** : From **Axis Bank** for Mercedes Benz of ₹99.20 Lacs repayable in 48 months with a EMI of ₹2.38 Lacs having a Rate of Interest of 7.00% p.a.

k) **Vehicle loan** : From **Axis Bank** for Kia Carnival of ₹26.00 Lacs repayable in 48 months with a EMI of ₹0.62 Lacs having a Rate of Interest of 7.10% p.a.

l) **Vehicle Loan** - from **HDFC Bank** for purchase of Used Heavy Vehicles carries interest (As per Mutual Agreement). The loan shall be repayable in 38 Monthly instalments along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.

m) **Vehicle Loan** - from **Kotak Mahindra Bank** for purchase of TATA LP 1112 Vehicle carries interest **@ 9.67%.** The loan shall be repayable in 36 Monthly instalments along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the directors.

n) **Vehicle Loan** - from **Union Bank of India** for purchase of BMW 530 DM Sports car under Union Mile Scheme Vehicle carries interest **@ 7.40% p.a.** The loan shall be repayable in 36 Equated Monthly instalments of ₹1.86 Lacs- along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the Directors.

o) **Vehicle Loan** - from **Union Bank of India** for purchase of Skoda Superb car under Union Mile Scheme Vehicle carries interest **@ 7.40% p.a.** The loan shall be repayable in 48 Equated Monthly instalments of ₹ 0.72 Lacs along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the Directors.

p) **Vehicle Loan** - from **Union Bank of India** for purchase of BMW 730 LD car under Union Mile Scheme Vehicle carries interest **@ 7.30% p.a.** The loan shall be repayable in 48 Equated Monthly instalments of ₹2.89 Lacs along with interest, the loan is secured by hypotication of Vehicle by joint registration of vehicle with agreed bank clause and personal guarantee of the Directors.

2.04 DEFERRED TAX LIABILITY

Particulars	Opening Balances	For the Year	Closing Balance
Deferred Tax Liability Relating To Depreciation	1000.33 (532)	431.26 (468.27)	1,431.59 (1,000.33)
Deferred Tax Assets Relating to Unabsorbed Depreciation	- -	- -	- -
Net Tax Effect On	**1000.33** **(532)**	**431.26** **(468.27)**	**1,431.59** **(1,000.33)**

Figures in () denotes the previous year figures

ADB & COMPANY * F.R.N.-005593C * RAIPUR (C.G.) * CHARTERED ACCOUNTANTS *

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	As at 31.03.2023	As at 31.03.2022
2.05 SHORT TERM BORROWINGS		
Cash Credit		
- State Bank of India	1,256.84	1,890.84
- Yes Bank Limited	974.71	1,030.21
- Axis Bank	2,517.22	2,751.35
- HDFC Bank Limited	1,479.12	2,172.96
Other Borrowings		
- Kotak Mahindra (Bill Discounting)	103.19	-
- Bank of Baroda, O/D Account	3.55	-
	6,334.64	**7,845.35**
Current Maturity of long term debts		
From Banks	3,405.14	2,633.43
TOTAL :	**9,739.78**	**10,478.78**

a) The Cash Credit Limit is Repayable on demand carries Interest rate @ 6 Months MCLR + 0.75% i.e. presently 9.05% p.a. for State Bank of India, 3 Months MCLR + 0.25% for Yes Bank, Repo Rate + 3.40% i.e. 9.90% p.a. for Axis Bank and @ 8.90% for HDFC Bank.

Details of Security:-

Primary Security:-

Entire current asset of the company by way of hypothecation of existing as well as future stocks of Raw Material, Stock-in-process, Finished Goods, Semi Finished Goods, Consumable stores & spares and Book Debts of the company as a whole including other current assets, with other WC Consortium Lenders i.e. Yes Bank, HDFC Bank & Axis Bank.

Secondary Security:-

1. EM of Freehold diverted industrial factory land and building situated at Khasra No. 728/4, 729/5, 729/7, 731/1, 731/3, 734/1, 735, 737, 738/1, 738/2, 739/3, 740/3, 741/6, 741/8, 741/10, 750/2, 752/1 and 752/2 admeasuring total area of 8.30 Hectares at villate - Sarora, PH No. 05, R.I.C. Tahsil - Tilda, Dist.- Raipur (C.G.)

2. EM of Freehold diverted industrial factory land situated at Khasra No.- 726, 727/2, 727/3, 728/3, 729/4, 729/6, 739/2, 740/2, 741/5, 741/7, 741/9, 741/11, 741/12, 753/1, 753/2, 753/3, 753/4, 753/5, 754/1, 756, 757/2, 757/3, 757/5, 759/1, 759/2, 760, 762, 768/1, 768/2, 770/1, 771/1, 771/3, 771/5, 771/6, 771/7, 771/8 & 771/9 admeasuring total area of 13.686 Hectare at Village- Sarora, PH No.- 06, R.I.C. and Tahsil - Tilda, Dist.- Raipur (C.G.), in the name of company.

3. Undiverted Land in the name of company situated at Khasra No.- 807/3, 807/6, 807/7, 813/2, 814, 815/1 admeasuring 0.615 Hect. at village - Sarora, PH No.- 05, R.I.C., Tahsil - Tilda, Raipur (C.G.)

4. EM of Residential plot with boundary wall at KAMAL VIHAR, Plot No.- A-137 to A-141, A-141a at part of Kh. No. 205, 211 admeasuring total area of 2796.50 Sq.Mt. situated at Sector 11A, RDA Scheme No. 04, Village - Dunda, PH No. 118/51, RIC Raipur 1, Tahsil & Dist.- Raipur, in the name of Mr. Ashish Goyal.

5. EM of commercially diverted land bearing Khasra No.- 210/7-8 & 210/13 admeasuring total area of 0.258 Hectare and 0.123 Hectare respectively situated at village - Dumartarai, P.C. No. 115/52, RIC Raipur-1, Tahsil & Dist.- Raipur in the name of M/s S.Pyare Lal Ispat Pvt. Ltd.

6. EM of Residential open land with boundary wall situated at Kh. No. 16/8 & 17/19, PH No. 112, Vill.- Jora, Raipur admeasuring total area of 0.074 Hect. in the name of Smt. Suman Goyal.

7. EM of Residential House No.- A-30, situated at piece or parcel of land bearing Kh. No. 300(Part), 301(Part), 302/1-2-3, 303, 303(Part), 305, 306, 307/1-2, 308/1-2-3-4, 315/1-2-3(Part), 316/2-4-5, 317, 318/1-2, 319/1-2-3-4-5, 320/1-2-3-4-5, 321, 322(Part), 327, 312/1, 316/1-3, 320/4, 208/4, Ward No.- 63, Shyama Prasad Mukharji Ward, Tahsil & Dist.- Raipur (C.G.) admeasuring 4000 Sq.Ft. in the name of Mr. Manoj Kumar

8. Lien on Fixed Deposit of ₹ 30.00 Lacs.

	As at 31.03.2023	As at 31.03.2022
2.06 TRADE PAYABLES		
Total Outstanding dues to MSME		
- Sundry Creditors for Goods, Services & Expenses	12.57	81.33
Total outstanding Dues to Creditors other than MSME		
- Sundry Creditors for goods	1,146.36	500.16
- Sundry Creditors for LC	735.34	1,524.62
(Balance are subject to confirmations and reconciliations)		
TOTAL :	**1,894.27**	**2,106.11**

ADB & COMPANY CHARTERED ACCOUNTANTS F.R.N. - 003593C RAIPUR (C.G.)

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	As at 31.03.2023	As at 31.03.2022

(a) **Trade Payables ageing schedule as on 31.03.2023**

Particular	Outstanding for following Periods from due date of payment.				
	0-1 year	1-2 Years	2-3 years	3 years & above	Total
(i) MSME	12.57	-	-	-	12.57
(ii) Others	1,870.45	11.25	-	-	1,881.70
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
TOTAL	**1,883.02**	**11.25**	**-**	**-**	**1,894.27**

(a) **Trade Payables aging schedule as on 31.03.2022**

Particular	Outstanding for following Periods from due date of payment.				
	0-1 year	1-2 Years	2-3 years	3 years & above	Total
(i) MSME	81.33	-	-	-	81.33
(ii) Others	2,024.67	0.11	-	-	2,024.78
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
TOTAL	**2,106.00**	**0.11**	**-**	**-**	**2,106.11**

	As at 31.03.2023	As at 31.03.2022
2.07 OTHER CURRENT LIABILITIES		
- Advance From Customers	241.77	423.03
- Expenses Payable	765.98	585.81
- Statutory Liabilities	282.01	375.76
- Sundry Creditors for services & Expenses	506.12	662.22
- Sundry Creditors for Capital Goods	349.33	237.67
(Balance are subject to confirmations and reconciliations)		
TOTAL :	**2,145.21**	**2,284.50**
2.08 SHORT TERM PROVISIONS		
- Income Tax & Surcharge payable	27.91	1,200.14
TOTAL :	**27.91**	**1,200.14**

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Schedule "2.09(A) & (B)" Property, Plant & Equipment & Intanible Assets
(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	TANGIBLE ASSETS													INTANGIBLE ASSETS
	Freehold Land	Building	Road	Plant & Machinery	Laboratory Equipments	Pollution Control Equipment	Weigh Bridge	Office Equipment	Furniture & Fixtures	Electrical Installation	Computer	Vehicle & Crane	Total	Software, Trademarks & Others
Gross Block														
At 1 April 2022	**486.67**	**3,332.94**	**71.83**	**17,189.97**	**1.00**	**883.52**	**4.84**	**59.12**	**21.03**	**2,573.48**	**52.90**	**939.82**	**25,617.13**	**37.38**
Additions	3.80	979.68	65.84	5,054.60	-	21.43	15.21	43.93	174.69	910.68	18.14	187.96	**7,475.98**	-
Deductions/Adjustments	-	-	-	188.41	-	-	-	-	-	33.12	-	18.51	**240.04**	-
At 1 April 2021	**486.67**	**1,302.12**	**51.50**	**7,984.99**	**1.00**	**743.94**	**4.84**	**20.05**	**1.44**	**1,351.11**	**17.95**	**542.15**	**12,507.77**	**34.57**
Additions	-	2,030.82	20.33	9,237.84	-	139.58	-	39.07	19.59	1,222.37	34.94	397.67	**13,142.21**	2.81
Deductions/Adjustments	-	-	-	32.86	-	-	-	-	-	-	-	-	**32.86**	-
At 31 March 2023	**490.48**	**4,312.62**	**137.67**	**22,056.16**	**1.00**	**904.95**	**20.06**	**103.05**	**195.72**	**3,451.04**	**71.04**	**1,109.27**	**32,853.06**	**37.38**
At 31 March 2022	**486.67**	**3,332.94**	**71.83**	**17,189.97**	**1.00**	**883.52**	**4.84**	**59.12**	**21.03**	**2,573.48**	**52.90**	**939.82**	**25,617.13**	**37.38**
Depreciation/Adjustment														
At 1 April 2022	-	**190.45**	**9.05**	**1,272.92**	**0.39**	**105.22**	**1.19**	**12.98**	**1.31**	**380.34**	**18.15**	**132.37**	**2,124.37**	**18.65**
Additions	-	123.00	9.80	1,000.27	0.10	43.24	0.31	14.12	5.86	259.89	16.24	113.28	**1,586.11**	5.92
Deductions/Adjustments	-	-	-	32.10	-	-	-	-	-	0.69	-	4.46	**37.24**	-
At 1 April 2021	-	115.68	4.15	670.96	0.29	65.73	0.88	6.53	0.64	200.70	10.21	52.14	**1,127.90**	**13.06**
Additions	-	74.77	4.90	607.53	0.10	39.49	0.31	6.46	0.68	179.65	7.93	80.24	**1,002.05**	5.59
Deductions/Adjustments	-	-	-	5.58	-	-	-	-	-	-	-	-	**5.58**	-
At 31 March 2023	-	**313.46**	**18.85**	**2,241.09**	**0.48**	**148.45**	**1.50**	**27.11**	**7.18**	**639.55**	**34.39**	**241.20**	**3,673.24**	**24.57**
At 31 March 2022	-	**190.45**	**9.05**	**1,272.92**	**0.39**	**105.22**	**1.19**	**12.98**	**1.31**	**380.34**	**18.15**	**132.37**	**2,124.37**	**18.65**
Net Block														
At 31 March 2023	**490.48**	**3,999.16**	**118.82**	**19,815.07**	**0.52**	**756.50**	**18.56**	**75.94**	**188.54**	**2,811.50**	**36.65**	**868.07**	**29,179.82**	**12.82**
At 31 March 2022	**486.67**	**3,142.48**	**62.79**	**15,917.05**	**0.61**	**778.30**	**3.66**	**46.13**	**19.72**	**2,193.14**	**34.75**	**807.45**	**23,492.75**	**18.73**

ADB & COMPANY * F.R.N.-005593C * RAIPUR (C.G.) * CHARTERED ACCOUNTANTS *

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Schedule "2.09 (C)" Capital Work-in-progress :

CWIP/ Intangible assets under development Ageing Schedule for the year ended 31.03.2023

(All the amounts are in INR in Lacs unless otherwise specified)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in progress	1,966.32	184.50	-	-	2,150.83
Projects temporarily suspended	-				-

CWIP/ Intangible assets under development Completion Schedule for the year ended 31.03.2023

(All the amounts are in INR lacs unless otherwise specified)

CWIP	To be completed in				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Rolling Mill WIP	13.68	-	-	-	13.68
Pipe Mill WIP	798.66	-	-	-	798.66
Power Plant WIP	-	27.97	-	-	27.97
132 KVA Substation WIP	898.62	-	-	-	898.62
SMS WIP	240.41	-	-	-	240.41
SID WIP	-	156.53	-	-	156.53
Common Division	14.96	-	-	-	14.96

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	As at 31.03.2023	As at 31.03.2022
2.10 Long Term Loan & Advances		
- **Security Deposit**	674.34	506.56
- Secured, Considered Good		
- **Fixed Deposits**		
- Maturity more than 12 months	201.24	81.30
TOTAL :	**875.58**	**587.86**
2.11 INVENTORIES		
(Valued at lower of cost and net realizable value, as certified by management)		
- Raw Materials	6,719.51	8,240.61
- Consumable, Stores & Spares	1,215.93	725.40
- Finished Goods	6,209.25	3,171.92
- Trading Goods	-	13.35
TOTAL :	**14,144.70**	**12,151.27**
2.12 TRADE RECEIVABLES		
Outstanding for more than Six Months		
- Unsecured, Considered Good	107.70	4.95
Other Receivables		
- Unsecured, Considered Good	1,611.35	1,562.70
(Balance under receivables are subject to confirmations and reconciliations)		
TOTAL :	**1,719.05**	**1,567.64**

Particular	Outstanding for following periods from due date of payment					
	Less than 6 Months	06 Months - 1 year	1-2 Years	2-3 Years	3 Years & above	Total
(i) Undisputed Trade receivables - Considered good	1,611.35	104.89	2.80	-	-	1,719.05
(ii) Undisputed Trade receivables - Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - Consider good	-	-	-	-	-	-
(iii) Disputed Trade receivables - Consider doubtful	-	-	-	-	-	-
Total	**1,611.35**	**104.89**	**2.80**	**0.00**	**0.00**	**1,719.05**

	As at 31.03.2023	As at 31.03.2022
2.13 CASH & CASH EQUIVALENTS		
Cash in Hand		
- Cash Balance	15.52	4.00
(A)	**15.52**	**4.00**
Bank Balance With Scheduled Bank		
- Bank of Baroda, O/D Account - MCB Branch	-	0.54
- HDFC Bank Current A/c	2.00	-
- HDFC Bank Happay Prepaid Card	1.50	1.50
- Kotak Bank 5647688536	103.93	-
- Fixed Deposit with Bank having maturity within 3 months	215.11	141.19
(B)	**322.54**	**143.23**
TOTAL (A+B) :	**338.05**	**147.24**

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	As at 31.03.2023	As at 31.03.2022
2.14 SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Advance to Suppliers		
- For Raw Materials	2,004.44	4,033.38
- For Stores & Consumables	19.02	93.99
- For Services	204.92	131.65
- For Capital Goods (Net)	1,961.54	1,108.95
Other Advances		
- Staff Advance	24.02	21.32
TOTAL :	4,213.95	5,389.30
2.15 OTHER CURRENT ASSETS		
- Prepaid Expenses	119.25	88.90
- Interest Accrued On FDR	-	0.45
- Interest Receivable on SD with CSPDCL	25.34	13.99
- FDR having maturity less than 12 months but more than 3 months	535.54	691.68
TOTAL :	**680.13**	**795.02**

ADB & COMPANY F.R.N.-005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial Statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars		For the year ended on	
		31.03.2023	31.03.2022
2.16 REVENUE FROM OPERATIONS			
Sale of Materials			
- Finished Goods		85,041.42	77,277.80
- By Products		646.30	496.18
- Raw Materials		2,105.84	2,745.08
- Trading Goods		5,833.71	1,419.79
- Revenue from Operations (Net of GST)		93,627.27	81,938.85
Revenue from operations (Net)		**93,627.27**	**81,938.85**
2.17 OTHER INCOME			
- Interest Income		63.82	68.52
- Vehicle Rent		48.00	65.95
- Rent From Plant & Machinary		15.25	-
- Freight Received on Sales		269.26	529.40
- Income From Job Work		96.36	-
- Incentive For Exports (DBK)		4.41	-
- Foreign Exchange Fluctuation Gain		20.10	1.97
	TOTAL :	**517.20**	**665.83**
2.18 COST OF RAW MATERIALS CONSUMED			
- Inventory at the beginning of the year		8,240.61	2,846.33
- Purchases during the period		64,032.81	67,450.68
		72,273.42	**70,297.01**
- Less : Inventory at the end of the year		6,719.51	8,240.61
Cost of Raw Materials Consumed	**(A)**	**65,553.90**	**62,056.40**
COST OF STORES CONSUMED			
- Inventory at the beginning of the year		725.40	334.97
- Purchases during the period		4,148.48	2,970.54
		4,873.88	**3,305.51**
- Less : Inventory at the end of the year		1,215.93	725.40
Cost of Stores Consumed	**(B)**	**3,657.94**	**2,580.12**
		-	-
Total Consumption	**(A) + (B)**	**69,211.85**	**64,636.52**
Details of Opening Inventory			
- Raw Materials		8,240.61	2,846.33
- Consumable, Stores & Spares		725.40	334.97
- Finished Goods		3,171.92	366.55
- Trading Goods		13.35	-
		12,151.27	**3,547.85**
Details of Purchases			
- Raw Materials		64,032.81	67,450.68
- Consumable, Stores & Spares		4,148.48	2,970.54
- Trading Goods		5,691.89	1,354.38
		73,873.18	**71,775.60**

ADB & COMPANY F.R.N. - 005593C RAIPUR (C.G.) CHARTERED ACCOUNTANTS

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial Statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars		For the year ended on	
		31.03.2023	31.03.2022
Details of Closing Inventory			
- Raw Materials		6,719.51	8,240.61
- Consumable, Stores & Spares		1,215.93	725.40
- Finished Goods		6,209.25	3,171.92
- Trading Goods		-	13.35
		14,144.70	**12,151.27**
2.19 CHANGE IN INVENTORIES			
Inventory at the end of the year			
- Finished Goods		6,209.25	3,171.92
- Trading Stock		-	13.35
	(A)	**6,209.25**	**3,185.27**
Inventory at the beginning of the year			
- Finished Goods		3,171.92	366.55
- Trading Stock		13.35	-
	(B)	**3,185.27**	**366.55**
(Increase) / Decrease	**(B-A)**	**(3,023.98)**	**(2,818.72)**
2.20 EMPLOYEE BENEFIT EXPENSES			
- Salary,Wages & Bonus		2,477.06	1,355.37
- Contractor Labour Wages		1,129.02	641.94
- Contribution to EPF & ESIC		56.79	39.13
- Staff & Labour Welfare		13.49	7.49
	TOTAL :	**3,676.36**	**2,043.93**
2.21 OTHER EXPENSES			
Direct Expenses :			
- Power Charges		3,977.40	2,377.33
- Repair & Maintainance to Machinaries		142.02	82.73
- Annual Maintanance Contract		8.01	-
- Other Manufacturing exp		146.39	63.10
	(A)	**4,273.82**	**2,523.16**

ADB & COMPANY * CHARTERED ACCOUNTANTS * F.R.N. - 005593C RAIPUR (C.G.)

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SAMBHV SPONGE POWER PRIVATE LIMITED // : A/C YEAR : 2022-23

Notes to Financial Statements

(All the amounts are in INR in Lacs unless otherwise specified)

Particulars	For the year ended on	
	31.03.2023	31.03.2022
Administrative & Selling Expenses :		
- Advertisement	25.57	15.79
- Legal and other fees	17.12	7.50
- Consultancy Charges	346.99	204.64
- Director Remuneration	276.00	192.00
- Office Rent	16.15	6.00
- Insurance	43.47	51.77
- Office Expenses	16.91	3.69
- Tour & Travelling	77.81	24.72
- Vehicle Repair/Maintenance	263.71	103.01
- Commission on Sales	124.83	55.42
- Telephone & Mobile Charges	7.21	7.18
- Security Service Charges	41.04	37.90
- CSR Activity Expenses	105.18	45.40
- Land Revenue Expenses	5.03	2.90
- Plantation Expenses	0.41	2.14
- Guest House Expenses	65.31	49.89
- Printing & Stationary	5.26	7.00
- Sundry Balance Written off	4.30	0.03
- Membership Fees	9.54	0.58
- Interest on TDS & TCS	1.05	1.21
- Outward Transportation Charges	730.56	1,298.07
- Donation	1.00	-
- Auditor's Remuneration	3.00	3.00
- Penalty & fine	1.05	-
- EMD Forfeited	-	9.50
- Postage & Courier Charges	0.70	0.25
- Internet Charges	4.34	4.21
- Admin Expenses Misc	49.23	22.00
- IT Related Expense	0.89	1.78
- Canteen & Kitchen Exp	90.96	65.68
(B)	**2,334.59**	**2,223.27**
TOTAL : (A+B) :	**6,608.41**	**4,746.42**
2.22 FINANCIAL COST		
- Bank Charges	103.69	118.70
- Interest on Term Loan	1,118.30	754.15
- Interest on Unsecured Loan	168.25	415.01
- Interest to Bank On LC	24.31	37.73
- Interest on Vehicle Loan	34.56	31.24
- Interest on Short Term Borrowing	719.84	465.28
- Other Interest	4.84	-
TOTAL :	**2,173.79**	**1,822.10**

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2.23 As per Accounting Standard 18 issued by Institute of Chartered Accountants of India, the disclosure of transaction with related parties as defined in Accounting Standard are given below:

A) List of related parties with whom transactions have taken place and relationship:

S. No.	Name of Related Party	Relationship
1.	Shri Ashish Goyal	Director
2.	Shri Vikash Kumar Goyal	Director
3.	Shri Suresh Kumar Goyal	Director
4.	Shri Manoj Kumar Goyal	Director
5.	Shri Brijlal Goyal	Relative of Key Management Personnel
6.	Shri Harshit Goyal	Relative of Key Management Personnel
7.	Shri Rohit Goyal	Relative of Key Management Personnel
8.	Shri Shashank Goyal	Relative of Key Management Personnel
9.	Smt. Kaushalya Devi Goyal	Relative of Key Management Personnel
10.	Smt. Suman Goyal	Relative of Key Management Personnel
11.	Smt. Rinku Goyal	Relative of Key Management Personnel
12.	Smt. Sheetal Goyal	Relative of Key Management Personnel
13.	Smt. Archana Goayl	Relative of Key Management Personnel
14.	Ashish Kumar Goyal & Sons HUF	Relative of Key Management Personnel
15.	Vikash Kumar Goyal & Sons HUF	Relative of Key Management Personnel
16.	Suresh Kumar Goyal & Sons HUF	Relative of Key Management Personnel
17.	Manoj Kumar Goyal & Sons HUF	Relative of Key Management Personnel
18.	Brijlal Goyal & Sons HUF	Relative of Key Management Personnel
19.	Ganpati Sponge Iron Private Limited	Enterprises over which Key Management Personnel exercise significant influence
20.	S. Pyarelal Ispat Private Limited	Enterprises over which Key Management Personnel exercise significant influence
21.	Niros Ispat Private Limited	Enterprises over which Key Management Personnel exercise significant influence
22.	Goyal Realty & Agriculture Private Limited	Enterprises over which Key Management Personnel exercise significant influence
23.	M/s Anjaneya Ispat HUF	Enterprises over which Key Management Personnel exercise significant influence
24.	M/s Agarsen Re-Rollers Private Limited	Enterprises over which Key Management Personnel exercise significant influence
25.	M/s Avinash Ispat Private Limited	Enterprises over which Key Management Personnel exercise significant influence
26.	M/s Sadhguru Pipes LLP	Enterprises over which Key Management Personnel exercise significant influence
27.	M/s Brijdham Polymerce Pvt. Ltd.	Enterprises over which Key Management Personnel exercise significant influence
28.	M/s Lingraj Steel & Power Pvt. Ltd.	Enterprises over which Key Management Personnel exercise significant influence

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2022-23

B) Transactions with related parties **(₹ in Lacs)**

Particulars	Key Management Personnel and their relatives	Enterprise over which Key Management Personnel exercise Significant influence	Total
Unsecured Loan Taken	1689.41 (1267.75)	1000.00 (1128.16)	2689.41 (2395.91)
Repayment of Unsecured Loan	1849.66 (1700.89)	63.15 (1218.91)	1912.81 (2919.80)
Interest on Unsecured Loan	139.00 (156.20)	2.84 (52.05)	141.84 (208.29)
Purchase of Material (Excl. GST)	-- (--)	6615.88 (1527.40)	6615.88 (1527.40)
Purchase of Capital Goods	-- (--)	.54 (73.57)	.54 (73.57)
Sale of Goods (Excl. GST)	-- (--)	17442.57 (13353.05)	17442.57 (13353.05)
Sale of Capital Goods	-- (--)	117.50 (49.80)	117.50 (49.80)
Transportation Charges Paid	-- (--)	130.02 (114.19)	130.02 (114.19)
Rent Paid	- (--)	6.00 (6.00)	6.00 (6.00)
Transportation Income Received	-- (--)	48.00 (48.20)	48.00 (48.20)
Director's Remuneration	276.00 (192.00)	-- (--)	276.00 (192.00)
Advances Given	-- (--)	600.00 (400.00)	600.00 (400.00)
Advances Repaid	-- (--)	600.00 (400.00)	600.00 (400.00)
Interest on advances given	-- (--)	9.90 (10.46)	9.90 (10.46)

Figures in ( ) relates to previous year

C) Balance with related Parties **(₹ in Lacs)**

Particulars	Key Management Personal and their relatives	Enterprise over which Key Management Personnel exercise Significant influence	Total
Long Term Borrowings	1293.88 (1329.04)	1003.01 (63.60)	2296.89 (1392.64)
Trade Payable	-- (--)	590.66 (4.37)	590.66 (4.37)
Trade Receivable	(--) (--)	413.79 (210.30)	413.79 (210.30)

Figures in ( ) relates to previous year.

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2022-23

2.24 Earnings Per Share **(₹ in Lacs)**

Particulars		Current Year	Previous Year
Profit available to Equity Shareholders i.e. Profit / (Loss) after Tax (A)	₹	6026.71	7292.31
Number of Equity Shares			
Weighted Average Number of Equity Shares outstanding (B)	Nos.	20090300	20090300
Basic Earnings Per Share (A/B)	₹	30.00	36.30
Nominal Value of an Equity Share	₹	10	10

2.25 Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 :- **(₹ in Lacs)**

S. No.	Particulars	Current Year	Previous Year
I	Principal amount remaining unpaid to supplier at the end of the year	12.57	81.33
II	Interest due thereon remaining unpaid to supplier at the end of the year	0.11	0.06
III	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this act	-	1.93
IV	The amount of interest accrued and remaining unpaid at the end of the year	0.11	1.99

Dues to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information collected by the management, however, previous year's interest could not be ascertained due to non claim of any party to be as Micro or small enterprises.

2.26 CONTINGENT LIABILITY

Sl. No.	Nature of Statue	Nature of Dues	Amount in ₹ in Lacs	Period to which the amount relates	Forum where dispute is pending
01	Income Tax TDS	Demand as per Traces portal	12.70	Various years	Traces (subject to rectification/reconciliation)
02	Income Tax	Income Tax Demand	1.59	A.Y. 20-21	
03	Income Tax	Income Tax Demand	12.73	A.Y. 21-22	
04	Goods & Service Tax	Demand of GST & penalty because of incomplete E-way bill.	Tax - ₹ 3.31 Penalty- ₹3.31	A.Y. 21-22	Appellate Authority, Jabalpur (M.P.)

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2022-23

05	Relating to Bank Guarantee				
Sr. No.	**Bank Name**	**In favour of**	**B.G amount ₹ in Lacs**	**Issue Date**	**Valid up to**
A	Bank of Baroda	SECL, Bilaspur	22.00	24.02.2020	03.07.2024
B	Bank of Baroda	SECL, Bilaspur	46.00	24.02.2020	03.07.2024
C	Bank of Baroda	SECL, Bilaspur	17.00	24.02.2020	23.02.2025
D	Bank of Baroda	SECL, Bilaspur	26.66	27.03.2022	03.07.2024
E	State Bank of India	SECL, Bilaspur	18.50	24.12.2021	22.12.2026
F	State Bank of India	SECL, Bilaspur	19.50	24.12.2021	22.12.2026
G	State Bank of India	NMDC, Bacheli	20.00	29.10.2021	29.10.2023
H	State Bank of India	NMDC, Kirandul	20.00	29.10.2021	29.10.2023
I	State Bank of India	GST Jabalpur	6.61	26.09.2022	30.09.2023
		Total	**196.27**		

06	Relating to Bill Discounting		
Sr. No.	**Bank Name**	**Nature of Outstanding**	**Outstanding Amount ₹ in Lacs**
A	Kotak Mahindra Bank	Clean Bill Discounting	1741.51

2.27 No provision in the books of accounts has been made for post employment and other long term employee benefit as required in Accounting Standard-15 "Employee Benefit".

2.28 The company has identified Iron & Steel as the sole business segment and the same has been treated as primary business segment. Hence, as per Accounting Standard- 17 "Segment Reporting" as issued by the 'The Institute of Chartered Accountants of India', no specified segment can be identified which have different risk and returns. Thus, no separate reporting under the same has been made.

2.29 Auditor's remuneration – Current Year ₹ 3.00 Lacs (Prev. Year ₹ 3.00 Lacs) GST extra

2.30 Foreign Currency Imports & Exports

Amount in $

Particulars	**31.03.2023**	**31.03.2022**
a) Value of import on CIF Basic in respect of		
- Raw Materials	-	-
- Components and Spare Parts	6,58,330.00	2,05,430.00
- Capital Goods	4,73,240.00	8,06,582.44
b) Expenditure in Foreign Currency		
- Membership Fees	12,175.33	-
c) Earning in Foreign Currency		
- FOB value of export of goods	-	3,73,723.00

2.31 **Additional Regulatory information**

- The Company does not have any Benami property and no proceedings have been initiated or are pending against the Company for holding any Benami property.
- The Company has no transactions with any struck off Companies under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year ended March 31, 2023.

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- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

- The Company have not received any fund from any person(s) or entity(ies), including foreign entities(Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

  (a) Directly or indirectly lend or invest in other persons or entities identified in any manner what so ever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

  (c) The Company have not advanced or loaned or invested any funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (d) 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

  (e) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

- The company has not surrendered or disclosed any income during the year, which were not recorded in its books of accounts, in any tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

- The Company has not traded or invested in Crypto Currency or Virtual Currency during the years ended March 31, 2023 and March 31, 2022.

- As per section 135 of the Companies Act, 2013 and rules therein, the Company is required to spend at least 2% of average net profit of past three years towards Corporate Social Responsibility (CSR). The following are the details:

Disclosure relating to Corporate Social Responsibility related expenditure incurred during the year

(₹ in Lacs)

Particulars	Current Year	Previous Year
Gross amount required to be spent by the company during the year.	105.17	45.19
Amount approved by the Board to be spent during the year	105.93	45.40
Amount spent during the year on:		
- Construction / Acquisition if any	65.17	32.97
- On purposes other than above	40.76	12.43
Balance to be transfer to Unspent CSR Account/Specified	-	-

Note: During the year company spends an amount of Rs.0.75 Lacs in excess of the required 2% of Average net profits; such excess amount can be set off against the same requirement to spend up to the immediate succeeding 3 financial years.

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SAMBHV SPONGE POWER PRIVATE LIMITED // A/C YEAR : 2022-23

2.32 Analytical Ratios

Ratio	31/03/23	31/03/22	% Change	Reason for variance
Current ratio	1.53	1.25	22%	This ratio has been increased significantly as the Current Asset of the company has been increased by 5% & Consequently Current Liability has been decreased by 14%.-
Debt- Equity Ratio	0.96	1.08	-11%	This ratio has been increased by 26% as compared to Previous year as the shareholders equity has been increased by 40% but increase in debt is of only 25%
Debt Service Coverage ratio	2.97	3.52	-16%	-
Return on Equity ratio	33%	64%	-48%	This ratio has been decreased significantly as the Net Profit after taxes has been decreased by 17% & consecutively there is increase in Shareholder's Equity by 58% compare to previous year.
Inventory Turnover ratio	5.47	8.05	-32%	This ratio has been decreased significantly as the Average Inventory has been increased by almost 67% but increase in Cost of Goods Sold is limited to 14% only with compare to previous year.
Trade Receivable Turnover Ratio	56.97	70.32	-19%	-
Trade Payable Turnover Ratio	32.01	68.27	-53%	This ratio has been decreased significantly as the Credit purchases has been decreased by 5% but there is significant decrease in trade payables by 80% with compare to previous year.
Net Capital Turnover Ratio	12.85	11.24	14%	-
Net Profit ratio	6%	9%	-28%	This ratio has been decreased significantly as the net profit has been decreased by 17% but there is increase an in Net sales by 14%
Return on Capital Employed	26%	39%	-33%	This ratio has been decreased significantly as the Earning before interest & taxes has been decreased by 11% but there is an increase an in capital employed by 33%
Return on Investment	N.A.			

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2.33 Others

- In the opinion of the management, the Current Assets, Loans, Advances & Deposits approximately of the value stated if realized in the ordinary course of business & provisions for all known liabilities are adequate and not in excess of amount considered necessary and that no personal expenses have been charged in the account except those payable under contractual obligations.

In opinion of the Board :

- All known liabilities have been provided for:
- All material items have been disclosed in the financial statement. There are no material changes in accounting policies as compared to previous year
- Prior period items and extra ordinary items which are material and if any, are disclosed separately.

2.34 Previous year's figures are regrouped, reclassify, rearranged where-ever necessary to match current year's classification and rounded off to nearest in Lacs.

AS PER OUR REPORT OF EVEN DATE,
For, A D B & Company,
Chartered Accountants,
ICAI FRN 005593C

For and on behalf of Board

(Manoj Kumar Goyal)	(Vikas Kumar Goyal)	(Tricha Bajpai)	(Rajesh Kumar Chawda)
Director	Director	Company Secretary	Partner
DIN 02112472	DIN 00318182	PAN - BZWPB7539K	Membership No. 405675

PLACE : RAIPUR
DATED : 28.07.2023