

CHITTA FINLEASE PVT LTD

AUDITED ACCOUNTS
F.Y. 2024-25



Independent Auditor's Report

Pravin Chandak
& Associates

Chartered Accountants

To the Members of

Chitta Finlease Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited financial statements of Chitta Finlease Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS), of the state of affairs of the Company as at 31st March, 2025, and its profit/loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.



403, 4th Floor & 702/703, 7th Floor,
New Swapnalok CHS Ltd.,
Natakwala Lane, Borivali (West),
Mumbai - 400 092. Tel : 2801 6119
Email : info@pravinca.com
Website : www.pravinca.com

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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.
- 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

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

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

(e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect of the reporting on adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls is not applicable in view of the exemption available to the Company in terms of the notification no. G.S.R. 583 dated 13 June 2017 issued by the ministry of Corporate Affairs, Government of India, read with general circular No. 08/2017 dated 25 July 2017 and

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

- (i) The Company did not have any pending litigations on its financial position in its financial statements.
- (ii) The company did not have any long-term contract including derivative contract for which there were any material foreseeable losses.
- (iii) The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



- (iv) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- (v) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- (vi) Based on the information and explanations given to us, in financial year 2024-25, the feature of recording audit trail has not been enabled in the accounting software maintaining its books of account of the company.

For Pravin Chandak & Associates

Chartered Accountants

Firm's registration number: 116627W

Pravin Chandak
Partner

Membership number: 049391

Place: Mumbai

Date: 15th May, 2025

UDIN: 25049391BMJAJR9696



Annexure 'A' to the Independent Auditors' Report

With reference to the Annexure referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2025, we report the following:

(i) PPE & Intangible Assets

(a)

- A. The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.
- B. The company has proper records related to full particulars of Intangible assets.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) The title deed pertaining to the Immovable properties as disclosed in the financial statements are held in the name of the company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

(e) According to the information and explanation given 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 thereunder during the year

(ii) Inventories

(a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate; We have not found any discrepancies of 10% or more in the aggregate for each class of inventory.

(b) The company does not have any inventory and no working capital limits in excess of five crore rupees, at any point of time during the year, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of Clause (ii)(b) of paragraph 3 of the order are not applicable to the company

(iii) During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability partnerships or any other parties. Therefore, the provisions of clause 3(iii) of the said order are not applicable to the company



- (iv) According to the information and explanation given to us, the company has no loans, investments, guarantees or security where provision of section 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investments, and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of Paragraphs 3 of the order are not applicable to the Company.
- (vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of products of the company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) Statutory Dues

- (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2025 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us, there are not any statutory dues referred in sub-clause (a) which have not been deposited on account of any dispute. Therefore, the provisions of clause (vii)(b) of paragraph 3 of the order are not applicable to the company.

- (viii) In our opinion and according to the information and explanations given to us, there is not any transaction 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 (43 of 1961).

(ix) Loan Taken

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
- (b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender
- (c) The company has loans of Rs. 2,03,60,078/- at the end of the financial year.
- (d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, 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 to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) Initial Public Offer / Private Placement

- (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.
- (b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year. Therefore, the provisions of Clause (x)(b) of paragraph 3 of the order are not applicable to the Company.

(xi) Fraud Reporting

- (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.
- (b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As auditor, we did not receive any whistle-blower complaint during the year.

- (xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

- (xiii) As per the information and explanations received 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. Identification of related parties were made and provided by the management of the company

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

- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi) Registration with RBI

- (d) The Company is not required to be registered under section 45-IA of the Reserve Bank of



India Act, 1934.

- (e) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - (f) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India
 - (g) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) The company has incurred cash loss in current financial year as well in immediately preceding financial year.
- (xviii) According to the information and explanations given to us, during the year, the previous statutory auditors of the company had resigned. We have considered the communication received from the outgoing auditors. As informed to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 was required to be filed by the outgoing auditors with the Board of Directors or the Central Government. Hence, the question of management's consideration of any such report does not arise
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
- (xx) There is not liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.
- (xxi) There have been no qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For Pravin Chandak & Associates

Chartered Accountants

Firm's registration number: 116627W

Pravin Chandak

Partner

Membership number: 049391

Place: Mumbai

Date: 15th May, 2025

UDIN: 25049391BMJAJR9696



Annexure 'B' to the Independent Auditor's Report

Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Chitta Finlease Private Limited

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of Chitta Finlease Private Limited ("the Company") as of 31st March, 2025 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 Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial



statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2025, 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 Pravin Chandak & Associates

Chartered Accountants

Firm's registration number: 116627W

Pravin Chandak

Partner

Membership number: 049391

Place: Mumbai

Date: 15th May, 2025

UDIN: 25049391BMJAJR9696



CHITTA FINLEASE PRIVATE LIMITED

CIN: U70100MH1995PTC090846

BALANCE SHEET

(₹ in Lakhs)

Particulars	Note	As at 31st March,2025	As at 31st March, 2024 (Restated)
ASSETS			
Non-current Assets			
Financial Assets			
(i) Investment Property	2	1,634.51	1,641.91
Current Assets			
Financial Assets			
(i) Cash and cash equivalents	3	0.11	0.71
Total Assets		1,634.62	1,642.62
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	4	1.00	1.00
Other Equity	5	196.49	200.50
Non Current liabilities			
Financial Liabilities			
(i) Non-Current Borrowings	6	192.80	192.80
Current liabilities			
Financial Liabilities			
(i) Current Borrowings	7	10.80	10.80
(ii) Trade payables	8	0.30	4.29
(iii) Other financials Libilities	9	1,231.38	1,231.38
(iv) Current Tax Liabilities (net)		1.85	1.85
Total Equity and Liabilities		1,634.62	1,642.62

Significant Accounting Policies

1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date

For Pravin Chandak and Associates

Chartered Accountants

(Firm Registration No. 116627W)

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 15th May, 2025

For and on behalf of the Board of Directors**of Chitta Finlease Private Limited****Prakash Modi**

Director

DIN: 07026968

Lalitha Cheripalli

Director

DIN: 07026989

CHITTA FINLEASE PRIVATE LIMITED

CIN: U70100MH1995PTC090846

STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Note	Year ended 31st March, 2025	Year ended 31st March, 2024 (Restated)
INCOME			
Other Income	10	4.04	-
Total Income		4.04	-
EXPENSES			
Finance Costs	11	-	0.02
Other expenses	12	8.05	8.15
Total Expenses		8.05	8.17
Profit / (loss) before tax		(4.01)	(8.17)
Tax expense			
Current tax		-	
Profit for the year		(4.01)	(8.17)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Gain/(Loss) on Fair Valuation of Investment		-	-
Total Comprehensive Income for the year		(4.01)	(8.17)
Earnings per equity share			
Basic		(0.00)	(0.01)
Diluted		(0.00)	(0.01)

Significant Accounting Policies 1

The accompanying notes are an integral part of these financial statements

As per our attached report of even date**For Pravin Chandak and Associates**

Chartered Accountants

(Firm Registration No. 116627W)

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 15th May, 2025

**For and on behalf of the Board of Directors
of Chitta Finlease Private Limited****Prakash Modi**

Director

DIN: 07026968

Lalitha Cheripalli

Director

DIN: 07026989



CHITTA FINLEASE PRIVATE LIMITED

CIN: U70100MH1995PTC090846

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024 (Restated)
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional Items and tax as per statement of profit and loss	(4.01)	(8.17)
Adjustments for:		
Amortisation expenses	7.40	7.40
Finance costs	-	0.02
Net exchange differences		
Operating profit before working capital changes	3.39	(0.75)
Adjustments for:		
(Increase)/decrease in other current assets	-	-
Increase/(decrease) in trade payables	(3.99)	(4.46)
Increase/(decrease) in other financial liabilities	-	(0.50)
Increase/(decrease) in other current liabilities	-	-
Cash (used in)/ generated from operating activities	(0.60)	(5.71)
Less: Direct taxes paid (net of refunds)	-	-
Net cash (used in)/ generated from operating activities - [A]	(0.60)	(5.71)
CASH FLOW FROM INVESTING ACTIVITIES:		
Net cash (used in) / generated from investing activities - [B]	-	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowings/(Borrowings Repaid)	-	6.10
Interest paid	-	(0.02)
Net cash (used in) / generated from financing activities - [C]	-	6.08
Net increase/(decrease) in Cash And Bank Balances - [A+B+C]	(0.60)	0.37
Add: Effect of exchange rate changes on cash and cash equivalents		
Add: Cash and cash equivalents at the beginning of the year	0.71	0.34
Cash and cash equivalents at the end of the year	0.11	0.71

The accompanying notes are an integral part of these standalone financial statements

Notes:

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows

As per our attached report of even date

For Pravin Chandak and Associates

Chartered Accountants

(Firm Registration No. 116627W)

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 15th May, 2025



**For and on behalf of the Board of Directors
of Chitta Finlease Private Limited**

Prakash Modi

Director

DIN: 07026968

Lalitha Cheripalli

Director

DIN: 07026989



CHITTA FINLEASE PRIVATE LIMITED

CIN: U70100MH1995PTC090846

Statement of Changes in Equity for the period ended 31st March, 2025

(₹ in Lakhs)

A. Equity Share Capital (Refer note 5)

As at 1st April 2023	1.00
Changes in equity share capital	-
As at 31st March 2024	1.00
Changes in equity share capital	-
As at 31st March 2025	1.00

B. Other Equity (Refer note 6)

Particulars	Retained earnings	Total
Balance as at 1st April, 2023	208.67	208.67
Profit for the year	(8.17)	(8.17)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(8.17)	(8.17)
Balance as at 31st March, 2024	200.50	200.50
Profit for the year	(4.01)	(4.01)
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the year	(4.01)	(4.01)
Balance as at 31st March, 2025	196.49	196.49

The accompanying notes are an integral part of these financial statements

As per our attached report of even date**For Pravin Chandak and Associates**

Chartered Accountants

(Firm Registration No. 116627W)

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 15th May, 2025

**For and on behalf of the Board of Directors
of Chitta Finlease Private Limited****Prakash Modi**

Director

DIN: 07026968

Lalitha Cheripalli

Director

DIN: 07026989



CHITTA FINLEASE PRIVATE LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS ON 31ST MARCH 2025

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention, on accrual basis. GAAP comprises mandatory Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Accounting Standards) Amendment Rules, 2008 and. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Use of Estimates

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

c) Revenue recognition

1. Income from Operation is recognised upon transfer of significant risks and rewards of ownership to the buyer.
2. Other Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
3. Dividend is recognised when the shareholders' right to receive payment is established at the balance sheet date.

d) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.



e) Depreciation

Depreciation is provided using the Written Down Value Method at the rates in the manner as prescribed under schedule II of the Companies Act, 2013, on pro rata basis on the date assets have been put to use.

f) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization/ depreciation), had no impairment loss been recognized.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Intangible Assets

Intangible assets including software licenses of enduring nature and acquired contractual rights separately are measured on initial recognition, at cost. Intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Cost of internally generated intangible assets comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is recognized.

Capitalized development cost is carried at cost less accumulated amortization and impairment losses, if any. Intangibles under development include cost of intangibles that are not ready to be put to use

h) Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost or fair value determined on individual investment



basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary decline in the value of the investments.

i) Employee benefits

As of date company is not having any employee on payroll therefore reporting under IND AS 19 on Employee benefits is not applicable.

j) Taxation

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing

evidence that they can be realised against future taxable profits. At each balance sheet date, the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognised as an asset and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

l) Foreign Currency Transactions

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Current assets and Current liabilities in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet.



Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long-term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

m) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

n) Borrowing Costs

Borrowing costs are capitalized that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing cost are recognized as an expense in the period in which it is incurred

o) Segment Reporting

Operating segment are components of the Company whose operating results are regularly reviewed by the Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The Company is engaged primarily on the business of "Construction" activities only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. All non-current assets of the Company are located in India. Accordingly, there are no separate reportable segments as per Ind AS 108 – "Operating segments".

p) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.



q) Cash Flow Statement

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise unencumbered cash and bank balances.

r) Inventories

Inventory comprises completed property for sale, land development rights, construction materials, completed unsold flats/units, property under construction (work-in-progress), Land cost, construction cost, direct expenditure relating to construction activity and borrowing cost during construction period is inventorised to the extent the expenditure is directly attributable to bring the asset to its working condition for its intended use. These are valued at lower of the cost and net realisable value.

Costs incurred/items purchased specifically for projects are taken as consumed as and when incurred/received. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion (wherever applicable) and estimated costs necessary to make the sale.

- (i) Inventory comprises of property under construction (work-in-progress). Work-in-progress is valued at lower of cost or net realizable value. Construction work-in-progress of constructed properties includes the cost of land (including development rights and land under agreements to purchase), internal development costs, external development charges, construction costs, overheads, borrowing cost if inventorisation criteria are met, development/ construction materials and is valued at lower of cost/estimated cost and net realisable value
- (ii) Completed unsold inventory is valued at lower of cost and net realisable value. Cost of inventories are determined by including cost of land (including development rights), internal development cost, external development charges, materials, services, related overheads and apportioned borrowing costs.



CHITTA FINLEASE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March 2024 (Restated)
2 Investment Property		
Land and Building		
Opening Balance	1,641.91	1,649.31
Add: Amortisation Reversal	-	-
Less: Amortisation	(7.40)	(7.40)
Total investment property	1,634.51	1,641.91
3 Cash and cash equivalents		
Cash on hand	0.01	0.01
Balances with Banks		
In current accounts	0.10	0.70
Total cash and cash equivalents	0.11	0.71



CHITTA FINLEASE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at	As at		
	31st March, 2025	31st March 2024 (Restated)		
(In Lakhs)				
4 Equity Share capital				
Authorised equity share capital				
1,000 (previous year 1,000) Equity Shares of Rs 100/- each	1.00	1.00		
Total authorised equity share capital	1.00	1.00		
Issued, Subscribed and Paid up Equity share capital				
1,000 (previous year 1,000) Equity Shares of Rs 100/- each	1.00	1.00		
Total issued, subscribed and paid up equity share capital	1.00	1.00		
(i) Reconciliation of Equity Share				
	No of shares	Amount		
Issued, Subscribed and Paid up Equity share capital				
As at 1st April 2023	1,000	1.00		
Equity Shares of Rs. 100 each				
Increase / Decrease during the year	-	-		
As at 31 March 2024	1,000	1.00		
Equity Shares of Rs. 100 each				
Increase / Decrease during the year	-	-		
As at 31st March, 2025	1,000	1.00		
Equity Shares of Rs. 100 each				
(ii) Details of shareholders holding more than 5% shares in the company				
Particulars	As at 31st Mar, 2025		As at 31st March 2024	
	No of Shares	% of Holding	No of Shares	% of Holding
Starteck Finance Limited	999	99.99%	999	99.99%



CHITTA FINLEASE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024 (Restated)
5 Other Equity		
Retained earnings		
Opening Balance	200.50	208.67
Net Profit for the period	(4.01)	(8.17)
Total other equity	196.49	200.50
6 Non-Current Borrowings		
Unsecured		
From Holding Company	192.80	192.80
Total non current borrowings	192.80	192.80
7 Current Borrowings		
Unsecured		
Loan from Directors & Related Parties - Repayable on demand	10.80	10.80
Total current borrowings	10.80	10.80
8 Trade Payable		
- Micro and Small Enterprises	-	-
- Other than Micro and Small Enterprises	0.30	4.29
Total trade payable	0.30	4.29
9 Other Financial Liabilities		
Advance from Customer	1,231.38	1,231.38
Total other financial liabilities	1,231.38	1,231.38



CHITTA FINLEASE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024 (Restated)
10 Other Income		
Sundry Balances w/back	4.04	-
Total other income	4.04	-
11 Finance Costs		
Interest Expenses	-	0.02
Total finance cost	-	0.02
12 Other expenses		
Amortisation of Leasehold land	7.40	7.40
Misc Expenses	0.16	0.30
Payments to Auditors	0.30	0.25
Legal & Professional Fees	0.20	0.20
Total other expenses	8.05	8.15

13 Rectification of Error – Treatment of Freehold Land

During the financial year 2024-25, it was identified that a portion of freehold land was incorrectly classified and treated as leasehold land in prior periods. Consequently, amortization was charged on this freehold land, which is not subject to amortization as per applicable Indian accounting standards and company policies.

The error has been rectified retrospectively in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates, and Errors. The impact of this rectification is as follows:

1. Restated Opening Balances:

The opening balance of property, plant, and equipment as at 31st March 2024 has been increased by Rs. 236.21 Lakhs, representing the reversal of accumulated amortization on the freehold land.

2. Effect on Profit or Loss:

The amortization expense for prior periods has been reversed, resulting in an increase in retained earnings of Rs. 236.21 Lakhs as at 31st March 2024.

3. Effect on Comparative Figures:

The comparative financial statements for the year ended 2024 have been restated to reflect the corrected classification and treatment.

The adjustments are summarized below:

Particulars	As Previously Reported
Property, Plant & Equipment (Freehold Land)	502.48
Retained Earnings	(10.36)
Amortization Expense	337.94

The error arose due to a misclassification during the initial recording of the asset. Processes and controls have since been strengthened to prevent such misclassifications in the future.



CHITTA FINLEASE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

14 Earnings per share

(₹ in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Earning Per Share has been computed as under :		
Profit for the year (Rs in Lakhs)	(4.01)	(8.17)
Weighted average number of equity shares	1,000	1,000
Earning per share-Basic /Diluted (Face value of Rs.100 per share)	(401.32)	(816.99)

15 Auditor's Remuneration (excluding Tax)

	Year ended 31st March, 2025	Year ended 31st March, 2024
	Rs.	Rs.
As auditor		
Audit fee	0.30	0.25
Total auditor's remuneration	0.30	0.25

16 The details of Income tax assets and Income Tax Laibilities

	Year ended 31st March, 2025	Year ended 31st March, 2024
	Rs.	Rs.
Current Income Tax Asset	-	-
Current Income Tax Liabilities	-	-
Net current tax asset/(liabilities) at the end	-	-

17 The carrying amounts of cash and cash equivalents, trade payables and borrowings are considered to be the same as their fair values, due to their short-term nature. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

18 Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

	As at 31st March, 2025	As at 31st March, 2024
The Company has amount due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).The disclosure pursuant to the said Act is as under:		
a. The principal amount remaining unpaid to any supplier at the end of the year	-	-
b. The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year ;	-	-
c. 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 the MSMED Act, 2006	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year ;	-	-
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
Disclosure of payable to suppliers as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such suppliers under the said Act, as per the intimation received from them, on requests made by the Company.		



CHITTA FINLEASE PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS

19 Disclosure of Ratios

Particulars	Numerator	Denominator	As at 31st March, 2025	As at 31st March, 2024 (Restated)	% Variance
Current Ratio,	0.11	1,244.33	0.00	-	0
Debt-Equity Ratio	203.60	197.49	NA	NA	NA
Debt Service Coverage Ratio	(4.01)	-	NA	NA	NA
Return on Equity Ratio	(4.01)	197.49	(0.02)	(0.04)	0.02
Inventory turnover ratio	NA	NA	NA	NA	NA
Trade Receivables turnover ratio	NA	NA	NA	NA	NA
Trade payables turnover ratio	NA	NA	NA	NA	NA
Net capital turnover ratio	NA	NA	NA	NA	NA
Net profit ratio	(4.01)	4.04	-	-	-
Return on capital employed	(4.01)	197.49	(0.02)	2.04	(2.06)
Return on Investment	NA	NA	NA	NA	NA

20 The accounts of certain trade receivables, trade payables, loans and advances and banks are, however, subject to formal confirmations or reconciliations and consequent adjustments, if any. However there is no indication of dispute on these accounts, other than those mentioned in the financial statements. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments.

21 Figures pertaining to previous year have been regrouped / reclassified wherever found necessary to conform to current year presentation.

As per our attached report of even date

For Pravin Chandak and Associates

Chartered Accountants

(Firm Registration No. 116627W)

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 15th May, 2025



**For and on behalf of the Board of Directors
of Chitta Finlease Private Limited**

Prakash Modi

Director

DIN: 07026968

Lalitha Cheripalli

Director

DIN: 07026989



BHUWALKA STEEL INDUSTRIES LTD

AUDITED ACCOUNTS
F.Y. 2024-25

INDEPENDENT AUDITOR'S REPORT

To the Members,
Bhuwalka Steel Industries Limited

Report on the Financial Statements**Opinion**

1. We have audited the accompanying financial statements of Bhuwalka Steel Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Herein-after referred to as 'financial statements').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2025, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

4. As at 31st March 2025, the Company has a negative net worth of ₹75.62 crore. The current management assumed control of the Company pursuant to an order of the Hon'ble National Company Law Tribunal (NCLT) dated 24th June 2022. These events or conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.



However, the management is of the view that the going concern basis of accounting is appropriate, considering the revised business strategy, performance improvement measures undertaken, and other factors as detailed in Note 17 to the financial statements.

Our audit opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
8. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

9. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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.
10. 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 of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

11. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

12. 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.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 14. 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.
- 15. 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

- 16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 17. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the applicable 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 on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act;



- f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses does not arise.
 - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.28, no funds have been advances or loaned or invested (either from borrowed funds or share premium or any other sources or kin of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on such audit procedures as 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 (a) and (b) above contain any material misstatement.
 - v. The Company has not declared any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the



software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has not paid any managerial remuneration during the year.

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W



(Rakesh Kumar Joshi)

Partner

Membership No: 147625

Place : Mumbai

Date: 19th May 2025

UDIN: 25147625BMJUOZ9912

Annexure –A to the Auditors Report

The annexure referred to in Independent Auditors Report to the members of Bhuwalka Steel Industries Limited on the financial statements for the year ended 31st March, 2025, we report that:

- i. (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plants and Equipment.

(b) According to the information and explanations given to us, the Management of the company physically verified its Property, Plants and Equipment annually, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification of fixed assets during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the financial statements are held in the name of the Company

(d) The Company has not revalued its Property, Plant and Equipment's (including Right of Use Assets) or intangible assets during the year. Accordingly, the reporting under clause 3 (i) (d) of the order is not applicable to the company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceeding initiated or pending against the Company for sholding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The Company does not carry inventories as on balance sheet date. Accordingly, clause 3(ii) of the Order is not applicable.

(b) The company does not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from bank or financial institutions on the basis of security of current assets during the financial year.
- iii. During the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships to any party covered in the register maintained under section 189 of the Companies Act, 2013 ("the act").



- iv. In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made. The Company has not issued any guarantee nor provided any security.
- v. The Company has not accepted any deposits or amount which are deemed to be deposits within the meaning of Section 73 to 76 of the Act and the Rules framed thereunder to the extend notified.
- vi. Pursuant to the Rules made by the Central Government of India, the maintenance of cost records prescribed under subsection (1) of Section 148 of the Act is not applicable to the company.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing of undisputed statutory dues including provident fund, Employees state insurance, income tax, Sales-tax, Value added tax, duty of excise, duty of custom, Service Tax, Cess, Goods & Service Tax and other material statutory dues, as applicable, have been regularly deposited during the year by the Company with the appropriate authorities.;
- (b) According to the information and explanations given to us, there are no dues as referred in clause vii (a) above which have not been deposited on account of any dispute except the following:
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax 1961, that has not been recorded in the books of account.
- ix. (a) According to information and explanations given to us and the records of the company examined by us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender, as applicable, during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared Willful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loan has been applied for the purpose for which they obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.



- (e) The Company did not have any subsidiaries, joint ventures or associate companies during the year and hence clause ix (e) of paragraph 3 of CARO, 2020 does not apply to the Company.
- (f) The Company did not have any subsidiaries, joint ventures or associate companies during the year and hence clause ix (f) of paragraph 3 of CARO, 2020 does not apply to the Company.
- x. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The Company has not made any preferential allotment or private placement of share or fully or partially or optionally convertible debentures during the year. Accordingly, paragraph 3 (x) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, notices 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) During the course of our examination of books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle blower complaints during the year. Accordingly, the reporting under clause 3(xi) (c) of the Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanation given to us and based on our examinations of the records of the Company, transaction has been entered into by the Company with related parties are in compliance with the sections 177 to 188 of the Act where applicable. The above details are accurately disclosed in the financial statement as required by the applicable Accounting Standards.
- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.



- (b) The report of the Internal Auditors is not applicable to the company.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the reporting under clause 3(xvi) (a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, the reporting under clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under Clause 3(xvii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and as mentioned in the Auditor's Report under reporting of Material Uncertainty of Going Concern read with note no 17 of notes to the financial statement on which management of the company is confident of going concern. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.



- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Financial Statements. Accordingly, no comment in respect of said clause has been included in this report.

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W




(Rakesh Kumar Joshi)
Partner
Membership No: 147625

Place : Mumbai
Date: 19th May, 2025
UDIN: 25147625BMJUOZ9912

Annexure – B to the Auditors Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

1. We have audited the internal financial controls over financial reporting of Bhuwalka Steel Industries Limited (“the Company”) as of March 31, 2025 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

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

Auditors’ Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness



of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. 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

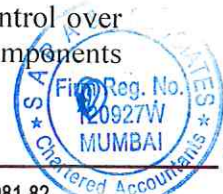
6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components





SARA & ASSOCIATES

Chartered Accountants

Santosh Kumar Jain
M.Com., F.C.A., DISA

Ramawatar Sharma
B.Com., F.C.A.

Rajesh Agarwal
B.Com., F.C.A.

Alok Bairagra
B.Com., F.C.A.

Manoj Agarwal
B.Com., F.C.A.

Rachana Kanol
B.Com., F.C.A., C.S.

Kamal Sharma
B.Com., F.C.A.

Rakesh Joshi
B.Com., F.C.A.

Aditya Tulsian
B.Com., F.C.A.

Chirag Shah
B.Com., F.C.A.

202, May Building, 297/299/301, Princess Street, Near Marine Lines Flyover, Mumbai - 400 002. | Tel: 4922 7200
E-mail: admin@sara-india.com Website: www.sara-india.com

of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W




(Rakesh Kumar Joshi)
Partner
Membership No: 147625

Place : Mumbai
Date: 19th May, 2025
UDIN: 25147625BMJUOZ9912

Andheri Offices :-

1 : A-503, Vertex Vikas Building, Above Mitra Nursing Home, Sir M. V. Road, Andheri (East), Mumbai - 400 069. | Tel: 022-2682 6081-82

2 : 1015, The Summit Business Bay, Off. Andheri Kurla Road, Near WEH Metro Station, Andheri (East), Mumbai - 400 093. | Tel: 022-4168 5500

BHUWALKA STEEL INDUSTRIES LIMITED

CIN : L68100KA1981PLC004343

BALANCE SHEET

(₹ in Lakhs)

Particulars	Notes	As at 31st March 2025	As at 31st March 2024
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	2	650.80	704.90
(b) Other Non Current Assets	3	4.18	1.25
Current Assets			
(a) Financial Asset			
- Trade Receivable	4	9.97	35.66
- Cash and Cash Equivalents	5	23.58	214.33
- Other Bank Balance	6	-	128.97
(b) Other Current Assets	7	-	6.15
(c) Current tax Assets (Net)		79.64	68.38
TOTAL ASSETS		768.17	1,159.64
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	8	1.00	1.00
(b) Reserves and Surplus	9	(7,563.16)	(7,604.87)
Non Current Liabilities			
(a) Borrowings	10	6,477.28	7,973.58
Current Liabilities			
(a) Trade Payable			
- Payable to MSME	11	-	-
- Payable to others	11	4.78	12.24
(b) Other Current Liabilities	12	1,848.27	777.69
TOTAL EQUITY AND LIABILITIES		768.17	1,159.64
Significant accounting policies	1		

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

For S A R A & Associates

Chartered Accountants

(Firm Registration No. 120927W)

Rakesh Kumar Joshi

Partner

(Membership No. 147625)

For and on behalf of the board of directors of
Bhuwalka Steel Industries Limited

Gautam Panchal

Director

(DIN: 07826634)

Lalitha Cheripalli

Director

(DIN: 07026989)

Amit Pitale

Director

(DIN: 07852850)

Place: Mumbai

Date: 19th May, 2025

BHUWALKA STEEL INDUSTRIES LIMITED

CIN : L68100KA1981PLC004343

STATEMENT OF PROFIT AND LOSS

(₹ in Lakhs)

Particulars	Notes	Year ended 31st March 2025	Year ended 31st March 2024
INCOME			
Revenue from Operation	13	307.61	933.75
Other Income	14	9.53	8.91
Total Income		317.14	942.66
EXPENSES			
Depreciation	2	53.61	53.61
Other Expenses	15	78.80	311.65
Total Expenses		132.41	365.26
Profit / (Loss) before exceptional items and tax		184.73	577.40
Exceptional Items		143.02	-
Profit before tax		41.71	577.40
Tax expense :			
Deferred Tax		-	-
Short / (excess) taxation of earlier years		-	-
Profit for the year		41.71	577.40
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
- Equity Instruments through other comprehensive income			
Total Comprehensive Income for the year		41.71	577.40

The accompanying notes are an integral part of these standalone financial statements

As per our attached report of even date

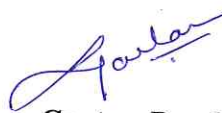
For S A R A & Associates

Chartered Accountants

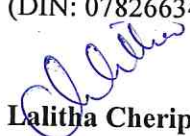
(Firm Registration No. 120927W)


Rakesh Kumar Joshi
Partner

(Membership No. 147625)

For and on behalf of the board of directors of
Bhuwalka Steel Industries Limited
Gautam Panchal
Director

(DIN: 07826634)


Lalitha Cheripalli
Director

(DIN: 07026989)


Amit Pitale
Director

(DIN: 07852850)

Place: Mumbai

Date: 19th May, 2025

BHUWALKA STEEL INDUSTRIES LIMITED

CIN : L68100KA1981PLC004343

CASH FLOW STATEMENT

(₹ in Lakhs)

Particular	As at 31st March 2025		As at 31st March 2024	
	Rs.	Rs.	Rs.	Rs.
Cash Flow from Operating Activities				
Profit before tax as per Statement of Profit and Loss		41.71		577.40
Adjusted for:				
Depreciation	53.61		53.61	
Interest Income	(9.49)		(8.91)	
Extinguishment of Asset and Liab. as per approved plan	-	44.12	-	44.70
Operating Profit before Working Capital Changes		85.83		622.10
Adjusted for:				
(Increase)/Decrease in Trade Receivables	25.69		(4.39)	
Increase/(Decrease) in Trade Payables	(7.46)		2.49	
(Increase)/Decrease in Other Current Assets	6.15		(1.39)	
Increase/(Decrease) in Other Current Liabilities	1,070.59	1,094.96	742.79	739.50
Cash Generated From Operations		1,180.79		1,361.60
Other Non current assets		(2.43)		(1.25)
Less: Income Tax Paid		11.26		58.08
Net Cash from / (used in) Operating Activities (A)		1,167.10		1,302.28
Cash Flow from Investing Activities				
Interest Income	9.49		8.91	
Term Deposits	128.97		(6.63)	
Sale/Disposal of Fixed Assets	-		(0.03)	
Sale of Investments	-	138.45	-	2.25
Net Cash from / (used in) Investing Activities (B)		138.45		2.25
Cash Flow from Financing Activities				
Borrowings	(1,496.30)	-	(1,111.14)	-
Loan Given	-	-	-	-
Equity Shares Reduced	-	-	-	-
Net Cash from / (used in) Financing Activities (C)		(1,496.30)		(1,111.14)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)		(190.75)		193.42
Cash and Cash Equivalents - Opening Balance		214.33		20.91
Cash and Cash Equivalents - Closing Balance		23.58		214.33

Note: The above Cash Flow Statements has been prepared as per the Ind AS - 7 "Statement of Cash Flows".

As per our attached report of even date

For S A R A & Associates

Chartered Accountants

(Firm Registration No. 120927W)

Rakesh Kumar Joshi

Partner

(Membership No. 147625)

For and on behalf of the board of directors of
Bhuwalka Steel Industries Limited**Gautam Panchal**

Director

(DIN: 07826634)

Lalitha Cheripalli

Director

(DIN: 07026989)

Amrit Pitale

Director

(DIN: 07852850)

Place: Mumbai

Date: 19th May, 2025

BHUWALKA STEEL INDUSTRIES LIMITED

CIN : L68100KA1981PLC004343

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

(₹ in Lakhs)

A. Equity Share Capital	No of Shares	Amount
As at 01 April, 2023	10,000	1.00
Changes in equity share capital during the year	-	-
As at 31st March, 2024	10,000	1.00
Changes in equity share capital during the year	-	-
As at 31st March, 2025	10,000	1.00

B. Other Equity

Particulars	Reserves and surplus				Total
	Capital Reserve	General Reserve	Share Warrant	Retained earnings	
As at 1st April, 2024	14,121.06	670.25	-	(22,396.17)	(7,604.87)
Addition	-	-	-	41.71	41.71
Dividend Paid	-	-	-	-	-
Cancelled as per Approval Plan	14,121.06	670.25	-	(22,354.46)	(7,563.16)
Balance as at 31st March, 2025	14,121.06	670.25	-	(22,354.46)	(7,563.16)

The accompanying notes are an integral part of these financial statements

For S A R A & Associates

Chartered Accountants

(Firm Registration No. 120927W)

Rakesh Kumar Joshi
Partner

(Membership No. 147625)



Place: Mumbai

Date: 19th May, 2025

**For and on behalf of the board of directors of
Bhuwalka Steel Industries Limited****Gautam Panchal**
Director
(DIN: 07826634)**Amit Pitale**
Director
(DIN: 07852850)**Lalitha Cheripalli**
Director
(DIN: 07026989)

BHUWALKA STEEL INDUSTRIES LIMITED

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENT

1.1 CORPORATE INFORMATION AND BASIS OF PREPARATION OF FINANCIAL STATEMENT

Corporate Information

Bhuwalka Steel Industries Limited (the Company, "BSIL"), is a steel manufacturing company incorporated in India under the provision of erstwhile companies Act 1956.

The company is wholly owned subsidiary of Starteck Finance Ltd (SFL), SFL have acquired the BSIL under approved resolution plan from Hon'ble National Company Law Tribunal, Bangalore during the financial year 2022-23.

Basis of Preparation of Financial Statement

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time and other accounting principles generally accepted in India along with other relevant provisions of the Act.

The financial statements have been prepared and presented on accrual/fair value basis and as and where required under a historical cost basis.

Based on the nature of products / activities of the Company normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities. The Standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency. Functional Currency is the currency of a primary economic environment in which the Company operates. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013 unless otherwise stated.

1.2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATE

In preparing these financial statements management requires to make judgment's, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, contingent liabilities as at the date of the financial statement and reported amount of income and expenses for the reporting period. Actual results may differ from these estimates. The recognition, measurement, classification or disclosure of an item or information in the financial statement is made relying on these estimates. Revisions to estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

1. Measurement of defined benefit obligations: key actuarial assumptions;
2. Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
3. Impairment test: key assumptions underlying recoverable amounts.
4. Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
5. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
6. Impairment of financial assets: key assumptions used in estimating recoverable cash flows



7. Measurement of expected credit losses. - Uncertainty relating to the global health pandemic.

Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements have been given below:

1. Assessing the lease term (including anticipated renewals) and the applicable discount rate.
2. Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial assets are solely payments of principal and interest on the principal amount outstanding.

1.3 REVENUE RECOGNITION

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

Interest Income

Interest income is recognized as and when it accrues on time deposits with banks.

Dividend Income

Dividend income is accounted for when the right to receive the income is established, which generally when the shareholders approve the dividend.

1.4 FINANCIAL INSTRUMENTS:

A Financial Instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

(i) Initial recognition and measurement

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability which is not recognised at Fair Value Through Profit and Loss, is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue

(ii) Subsequent recognition

(A) Financial Assets

On initial recognition, a financial asset is classified and measured at

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not recognised as at FVTPL

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the Investments fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.



All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

(B) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognised as profit or loss respectively.

(iii) Derecognition

(A) Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(B) Financial Liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv) Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

1.5 INCOME TAX

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

(i) Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are not recognised for:



- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

(ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Minimum alternate tax

Minimum alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.6 EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, and bonus element in a rights issue to existing shareholders, share split and reverse share split.

Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

1.7 PROVISIONS, CONTINGENCIES AND COMMITMENTS

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.



A disclosure for contingent liabilities is made where there is:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

1.8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

1.9 EMPLOYEE BENEFITS

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Compensated absences

1. Short term

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of the benefit expected to be availed by the employees.

2. Long term

Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to statement of profit and loss in the year in which such gains or losses are determined.

1.10 DIVIDEND

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.



BHUWALKA STEEL INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS

2 Property, Plant & Equipment

(₹ in Lakhs)

Sr. No.	Fixed Assets	Gross Block		Depreciation / Amortization			Net Block	
		As at 1st April 2024	Additions/ (Disposals)	As at 31st March 2025	Upto 1st April 2024	For the year 2024-25	Upto 31st March 2025	As at 31st March 2025
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	Tangible Assets							
	Land	134.62	(0.50)	134.12	-	-	-	134.12
2	Buildings	1,692.93	-	1,692.93	1,122.64	53.61	1,176.25	516.68
	Total	1,827.55	(0.50)	1,827.05	1,122.64	53.61	1,176.25	650.80
								704.90
	Current Year	1,827.55	(0.50)	1,827.05	1,122.64	53.61	1,176.25	650.80
	Previous Year	1,827.55	-	1,827.55	1,069.03	53.61	1,122.64	704.91
								758.52



BHUWALKA STEEL INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2025	As at 31st March,2024				
3 Other Non Current Assets						
Balance with government authorities	3.68	1.25				
Assets (Land Parcel) put to Sale	0.50	-				
Total other non current	4.18	1.25				
4 Trade Receivables						
Trade receivable considered good- unsecured	-	-				
Other receivables	9.97	35.66				
Total trade receivables	9.97	35.66				
As at 31 March 2025						
Trade Receivables aging schedule:						
Particulars	Outstanding for following periods from the date of the transaction					Total
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade receivables – considered good	9.97	-	-	-	-	9.97
(ii) Trade Receivables – considered doubtful	-	-	-	-	-	-
As at 31 March 2024						
Trade Receivables aging schedule:						
Particulars	Outstanding for following periods from the date of the transaction					Total
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade receivables – considered good	35.66	-	-	-	-	35.66
(ii) Trade Receivables – considered doubtful	-	-	-	-	-	-
5 Cash and Cash Equivalents						
Cash in hand	-	-				
Balance with Bank	23.58	214.33				
Total cash and cash equivalents	23.58	214.33				
6 Other Bank Balance						
Deposits with original maturity of more than 3. months but less than 12 months	-	128.97				
Total other bank balance	-	128.97				
7 Other Current Assets						
Interest Accured and due	-	6.15				
Total current assets	-	6.15				



BHUWALKA STEEL INDUSTRIES LIMITED
NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
8 Equity share capital		
Authorised share capital		
5,00,000 equity shares of Rs. 10 each (As at 31st March 2024 - 5,00,000 equity shares of Rs. 10 each)	50.00	50.00
24,50,000 preference shares of Rs. 100 each (As at 31st March 2024 - 24,50,000)	2,450.00	2,450.00
Total authorised share capital	2,500.00	2,500.00
Issued, subscribed and fully paid up		
10,000 equity shares of Rs. 10 each	1.00	1.00
Less : Capital Reduction as per approved resolution plan	-	-
Add : Capital Issued as per approved resolution plan	-	-
Total issued, subscribed and fully paid up share capital	1.00	1.00
Forfeited Shares	-	-
Less : Forfeited shares as per approved resolution plan	-	-
Forfeited Shares	-	-
Equity Shares	1.00	1.00

(i) Reconciliation of equity share capital

Particulars	As at 31st March 2025		As at 31st March, 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	10,000	1.00	10,000	1.00
Issued during the year	-	-	-	-
Reduced during the year	-	-	-	-
Outstanding at the end of the period	10,000	1.00	10,000	1.00

(ii) Terms and rights attached to equity shares

The Company has only one class of equity share having value of Rs 10 each with an entitlement of one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the annual general meeting. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March 2025		As at 31st March, 2024	
	Number of shares	Percentage % of holding	Number of shares	Percentage % of holding
Starteck Finance Limited	10,000	100.00%	10,000	100.00%



BHUWALKA STEEL INDUSTRIES LIMITED**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lakhs)

Particulars	As at 31st March 2025	As at 31st March 2024
9 Reserves and Surplus		
Reserves & surplus		
- Securities premium Account		
- Capital Reserve		
Balance at the beginning of the year	14,121.06	14,121.06
Closing at the end of the year	14,121.06	14,121.06
- General Reserve		
Balance at the beginning of the year	670.25	670.25
Closing at the end of the year	670.25	670.25
- Retained earnings		
Balance at the beginning of the year	(22,396.17)	(22,973.58)
Add: Addition during the year	41.71	577.40
Closing at the end of the year	(22,354.46)	(22,396.17)
Total reserves and surplus	(7,563.16)	(7,604.87)



BHUWALKA STEEL INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS

(₹ in Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024			
10 Borrowings (Non Current Liabilities)					
Secured					
From Bank	1.81	3,097.51			
From	0.07	137.47			
Unsecured					
From Bank	0.00	0.47			
From	15.49	31.91			
From Related	6,459.92	4,706.22			
From Others	-	-			
Total borrowings	6,477.28	7,973.58			
11 Trade Payable					
Payable to MSME	-	-			
Payable to Others	4.78	12.24			
Total trade payable	4.78	12.24			
Trade payable aging schedule:					
As at 31 March 2025					
Particulars	Outstanding for following periods from the date of the transaction				
	Less than 1year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	4.78	-	-	-	4.78
As at 31 March 2024					
Particulars	Outstanding for following periods from the date of the transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	12.24	-	-	-	12.24
12 Other Current Liabilities					
Deposit from customers	1,317.05	500.05			
Statutory Liabilities	231.22	277.64			
CSR Provision	-	-			
Advance against land sale	300.00	-			
Total other current liabilities	1,848.27	777.69			



BHUWALKA STEEL INDUSTRIES LIMITED**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lakhs)

Particulars	As at 31st March 2025	As at 31st March, 2024
13 Revenue from Operation		
Commission income	307.61	733.75
Consultancy fees	-	200.00
Total revenue from operation	307.61	933.75
14 Other Income		
Interest Income	9.49	8.91
Sundry balance W/back	0.04	-
Total other income	9.53	8.91
15 Other Expenses		
Payment to auditors	1.00	1.00
CIRP Expenses	-	0.01
CSR	1.01	-
Legal and Professional Fees	25.45	63.57
Rates and taxes	34.11	0.30
Miscellaneous Expenses	1.48	2.55
Security Expenses	15.74	15.95
Employee Provident Fund	-	228.27
Total other expenses	78.80	311.65



BHUWALKA STEEL INDUSTRIES LIMITED

16. Corporate Insolvency Resolution Process

Under Corporate Insolvency Resolution Process (CIRP) in respect of the company, the Hon'ble National Company Law Tribunal, Bangalore bench ("Adjudicating Authority"), had vide its order dated 24 June 2022 ("NCLT Order"), the Adjudicating Authority had approved the resolution plan ("Approved Resolution Plan") submitted by M/s Starteck Finance Limited (formerly known as Nivedita Mercantile and Financing Limited) ("Resolution Applicant") for the Company under Section 31 of the Code.

As per the Approved Resolution Plan, the company has received Rs.94.25 crores payable to the financial creditors and CIRP expenses under the plan in total four tranches. All these tranches were successfully completed and concluded as on 31st March 2025. Further the Resolution Professional vide his letter dated 21st April 2025 also confirmed the successful implementation of the resolution plan.

Other than the above payments, as on 31st March 2024, the Company has made provision of Rs.2,28,27,289/- PF payable on the basis of notice dated 05.04.2024 received on 15th April, 2024 for recovery of arrear dues from Regional PF Commissioner-II/Recovery Officer Regional Office, K.R. Puram. The same were paid on 7th April 2025.

17. Going Concern Basis

Pursuant to the Successful implementation of the Resolution Plan, the financial statements of the company for the year ended March 31, 2025 have been prepared on a going-concern basis taking into consideration the following;

- A) As on 31st March 2025, the financial creditors were fully paid/settled as per the resolution plan.
- B) The company is regularly generating operating cash inflows in the form of various income during the last three financial years. The company is expected to generate similar kind of revenue for the foreseeable future as well.
- C) Bhuwalka steel Industries Limited ("BSIL") has been generating positive free cash flows from its operations since the acquisition by Starteck Finance Limited. Starteck Finance limited has funded under the resolution plan. Further, Starteck Finance Limited has committed to extend all possible support to run the business of the company in an effective and hassle free manner. BSIL being 100% subsidiary of Starteck Finance Limited, the loans have been given interest free and are in the nature of Quasi equity.
- D) Going further, the company is also looking to monetise some of its assets through sale of unutilized land parcels which will generate significant cash flow.



BHUWALKA STEEL INDUSTRIES LIMITED

NOTES TO FINANCIAL STATEMENTS

18 Related Party Disclosures :

Relationships:

Key Management Personnel:

Mr. Amit Pitale – Director

Mrs. Lalitha Cheripalli – Director

Mr. Gautam Panchal – Director (Appointed from 28th May, 2024)

Mr. Anand Shroff – Managing Director (Resigned on 20th March 2025)

Holding Company

Starteck Finance Limited

(B) Transactions with related parties for the year are as follows:

Transaction during the year	Year ended 31st March, 2025	Year ended 31st March, 2024
	Rs	Rs
Transaction during the year		
Starteck Finance Limited		
Loan Taken	3,399.20	2,661.89
Loan Repaid	1,645.50	1,274.91
	Year ended 31st March, 2025	Year ended 31st March, 2024
	Rs	Rs
Outstanding balances as at the year end		
Starteck Finance Limited		
Loans and advances	6,459.92	4,706.22

19 Disclosure as per IndAs 19 "Employee Benefits"

A Defined contribution plan

Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund , a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

There is no employees in the company hence contribution to provided fund scheme is not required.

B Defined benefit plan

Gratuity fund

In accordance with the Payment of Gratuity Act of 1972, the company need to contribute to a defined benefit plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company.

20 Contingent liabilities and Commitments

(a) Contingent liabilities

There is no contingent liabilities of the company for the reporting periods.

(b) Commitments

There is no commitments of the company for the reporting periods.

21 Segment Information

The Company is engaged in the business of manufacturing steel products and services and is having its manufacturing facilities located in India. The company operates in single segment.

The company is domiciled in India. The amount of it's revenue from external customer broken down by location of the customers is shown in table below:

Revenue from external customer	Year ended 31st March 2025	Year ended 31 March 2024
India	307.61	933.75
Outside India	-	-
Total Revenue	307.61	933.75



22 Corporate Social Responsibility (CSR)

CSR amount required to be spent by the Companies within the Group as per Section 135 of the Companies Act, 2013 read with Schedule VII.

23 Disclosure of Financial Instruments by Category

Financial instruments by categories	As at 31st March 2025			As at 31st March,2024		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset						
Investments	-	-	-	-	-	-
Trade Receivables	-	-	9.97	-	-	35.66
Cash and cash equivalents	-	-	23.58	-	-	214.33
Loans	-	-	-	-	-	-
Other Financial assets	-	-	-	-	-	128.97
Total Financial Assets	-	-	33.55	-	-	378.96
Financial liability						
Borrowings	-	-	6,477.28	-	-	7,973.58
Trade payables	-	-	4.78	-	-	12.24
Total Financial Liabilities	-	-	6,482.06	-	-	7,985.83

Default and Breaches

There are no defaults with respect to payment of principal & interest of the Borrowings taken from Banks and financial institutions.

24 Fair Value Hierarchy

Management considers that the carrying amount of those financial assets and financial liabilities, that are not subsequently measured at fair value, in the financial statements approximate their fair values

For financial instruments that are subsequently measured at fair value, their fair value measurement is grouped into Levels 1 to 3 based on the following fair value hierarchy

Level 1 :quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 :inputs other than quoted prices included within level 1, that are observable for the asset or liability,either directly (i.e as a price) or indirectly

(i.e derived from prices)

Level 3:derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There are no financial instruments measured at Level 1, Level 2,Level 3 of Fair Value Hierarchy as at reporting date

The carrying amounts of financial instruments carried at amortized cost i.e Trade receivables,Trade Payables, Cash and Cash equivalents ,Loans, Current Borrowings are considered to be the same as their fair values, due to their short term nature

Fair Valuation techniques**Fair value of financial assets and liabilities measured at amorti**

Trade receivables, cash and cash equivalents, borrowings,trade payables, Loans are financial instruments with carrying values that approximate fair value. If measured at fair value in the financial statements,these financial instruments would be classified as level 3 in the fair value hierarchy

25 Financial Risk Management

The company's activities expose it variety of financial risks : Market risk, Credit risk and Liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.



A) Market risk

The market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk comprises three types of risk: Foreign currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowings in foreign currency and also the company doesn't have any receivable or payable amounts in foreign currency.

ii Cash flow and fair value Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from borrowings with variable rates. The company measures risk through sensitivity analysis.

The Company is not exposed to interest risk as there are no borrowing which carries interest cost and accordingly interest risk does not arise.

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Company is not exposed to price risk as there are no investments which are actively traded in market and accordingly price risk due to change in Market prices does not arise.

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due.

Liquidity risk arises in situations where the company has difficulties in obtaining funding

The company manages its liquidity risk by continuously monitoring rolling forecasts of the company's liquidity requirements, actual cash flows available and the due date of financial assets and liabilities

The company is exposed to liquidity risk due to borrowings, trade payables, other financial liabilities

The following are the contractual maturities of Financial liabilities :-

The amounts disclosed in the tables are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amount as the impact of discounting is not significant

As at 31st March 2025	Carrying Amount	Contractual maturities of financial liabilities			
		upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Borrowings	6,477.28	6,477.28	-	-	-
Trade payables	4.78	4.78	-	-	-
Total Non derivative Financial liabilities	6,482.06	6,482.06	-	-	-

As at 31st March, 2024	Carrying Amount	Contractual maturities of financial liabilities			
		upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Borrowings	7,973.58	7,973.58	-	-	-
Trade payables	12.24	12.24	-	-	-
Total Non derivative Financial liabilities	7,985.83	7,985.83	-	-	-



C) Credit risk

Credit risk is the risk that a counter party will default on its contractual obligations resulting in financial loss to the company. Credit Risk encompasses of both ,the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Credit risk arises from Loans given, cash and cash equivalents , deposits with banks and financial institutons and deposits with others, as well as credit exposure to Trade receivables.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements

The company's major class of financial assets are Loans, cash and cash equivalents and trade receivables

For Banks and financial institutions, only high rated banks/Financial institutions are accepted.

Company's Credit Risk arises principally from Loans, Trade Receivables.

Trade Receivables:

Trade receivables are primarily short term receivables from customers which arise in the normal course of business.

Credit worthiness of Customers are being assessed before making sales to the customers

The outstanding Trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

d) Capital management

(a) Risk management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders , benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure , the company may issue new shares or sell assets to reduce debt.

The company periodically reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements and capital efficiency of the company , prevailing and projected profitability , projected operating cash flows, and projected capital expenditures.

In order to maintain or adjust the capital structure , the company may use internal funding to reduce debt.

(b) Dividends

No Dividends have been issued/Proposed by the company during the financial year 2024-25.

26 Subsequent Events

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet

- 27** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities "Intermediaries" with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide a by guarantee, security or the like on behalf of the Ultimate Beneficiaries.



NOTES TO FINANCIAL STATEMENTS

28 Financial Ratios

Particulars	Measure	Formula	31st March 2025	31st March 2024	% of changes	Remark
Current Ratio	Times	Current Asset/Current Liability	0.02	0.49	-96.29%	As per Approval Plan assets & liabilities written off/back
Debt-Equity Ratio	Times	Debt/Equity	-0.86	-1.05	-18.32%	
Debt Coverage Ratio	Times	EBITDA*/Repayment of borrowing	NA	NA	NA	
Inventory Turnover Ratio	Times	Cost of Goods Sold/Average inventory	NA	NA	NA	
Trade Receivable Turnover Ratio	Times	Net Sales/ Average trade receivable	13.48	27.91	NA	
Trade Payable Turnover	Times	Net Purchase/ Average trade Payables	NA	NA	NA	
Net Capital Turnover Ratio	Times	Revenue from operation/ Working Capital**	-0.17	-2.31	-92.68%	Deposit from customer
Net Profit Ratio	Percentage	Profit after tax/Revenue from operation	0.14	0.62	NA	
Return on Equity Ratio	Percentage	Profit after tax/Average shareholder's equity	2.00	2.00	0.00%	As per Approval Plan equity reduced
Return on Capital Employed	Percentage	EBIT#/Total Assets- Current Liabilities	-0.04	1.56	-102.46%	Deposit from customer
Return on Investment	Percentage	EBIT/Total Assets	0.05	0.50	-89.14%	As per Approval Plan assets & liabilities written off/back

*Earning before interest tax depreciation and amortisation

** Working capital = Current Asset- Current Liability

Earning before interest and tax

29 The company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year 2024-25.

30 During the financial year 2024-25, no proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

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

32 The company is not declared a wilful defaulter by any bank or financial institution or any other lender.

33 Previous year's figures are regrouped and re-arranged wherever considered necessary.

Signature to Note No I to 33

As per our attached report of

For S A R A & Associates

Chartered Accountants

(Firm Registration No. 120927W)



Rakesh Kumar Joshi

Partner

(Membership No. 147625)

Place: Mumbai

Date: 19th May, 2025

For and on behalf of the board of directors of

Bhuwalka Steel Industries Limited

Gautam Panchal

Director

(DIN: 07826634)

Amit Pitale

Director

(DIN: 07852850)

Lalitha Cheripalli

Director

(DIN: 07026989)