

A-ONE STEEL AND ALLOYS PRIVATE LIMITED

Financial Statements & Audit Reports 31 March 2021

CIN : U28999KA2012PTC063439

**Address : A One House, No. 326, Ward No 08, CQAL Layout, Sahakarnagar, Bangalore
KA 560092 IN**

INDEPENDENT AUDITOR'S REPORT

To
THE MEMBERS OF A-One Steel and Alloys Private Limited
Bangalore

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **A-One Steel and Alloys Private Limited** ("the Company"), which comprises the Balance sheet as at March 31, 2021, and the Statement of Profit and Loss 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 standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing 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.

Emphasis of matter-Other Issues

We invite attention to Note No.14 to the financial statements which describes the impact of COVID-19, a global pandemic, on the operations and financial matters of the company.

Our opinion is not modified in respect of above matter.



Information other than the financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's responsibility for the financial statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("The Act") with respect to the preparation 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those boards of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will



always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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.



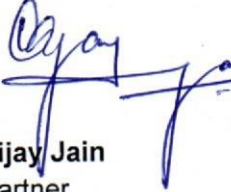
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 "B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the AS 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, as 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 Standalone financial statements.
 - ii. The Company did not have any long-term contracts as at 31 March 2021 for which there were no material foreseeable losses.



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

For Singhi & Co.
Chartered Accountants,
Firm's Registration No. 302049E


Vijay Jain
Partner
Membership No. 077508
UDIN: 21077508AAAAMJ1120



Place: Bengaluru

Date: 28-09-2021

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **A-One Steel and Alloys Private Limited** of even date)

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

We have audited the internal financial controls over financial reporting with reference to Standalone financial statements of A-One Steel and Alloys Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a



material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 internal financial controls system over financial reporting of the Company.

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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2021, 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 Singhi & Co.
Chartered Accountants,
Firm's Registration No. 302049E


Vijay Jain
Partner
Membership No.077508
UDIN: 21077508AAAAMJ1120



Place: Bengaluru.

Date: 28-09-2021

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **A-One Steel and Alloys Private Limited** of even date)

- i. In respect of the Company's fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b. The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any immovable properties; therefore reporting under this order is not applicable.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
- iii. According to information and explanation given to us, the company has not granted any secured and unsecured loans to companies, firms, LLP or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to information and explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of sections 185 and section 186 of the Companies Act.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted deposits, hence the provision of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under not applicable to the company;
- vi. In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India



under Section 148 of the Companies Act, 2013 are applicable to the Company for the year under audit.

vii. In respect of statutory dues:

- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues in respect of income tax, provident fund, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other material statutory dues, as applicable, with the appropriate authorities
- b. According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, duty of customs, duty of excise, value added tax and goods and service tax which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and to the debenture holders.

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xii. The company is a private limited company and hence provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.

xiii. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.

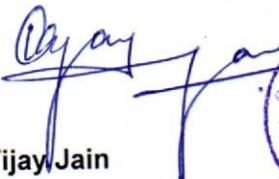
xiv. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the



details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit, accordingly paragraph 3(xiv) of the order is not applicable to the company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvii. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For Singhi & Co.
Chartered Accountants,
Firm's Registration No. 302049E


Vijay Jain
Partner
Membership No.077508
UDIN: 21077508AAAAMJ1120



Place: Bengaluru

Date: 28-09-2021

A-ONE STEEL AND ALLOYS PRIVATE LIMITED

Year Ended : 31/3/2021
Asst. Year : 2021-22

PAN: AAKCA9053A

Address : A One House, No. 326,
Ward No 08, CQAL Layout,
Sahakarnagar, Bangalore KA 560092
IN

Status : Private Limited Company
D.O.I. : 09/04/2012

COMPUTATION OF TOTAL INCOME & TAX LIABILITY	Amount in Lakhs	Amount in Lakhs	Amount in Lakhs
Income from Business			
Net Profit as per Profit & Loss A/c		5,403.00	
Add : Depreciation As per Companies Act 2013		1,123.99	
Provision for Gratuity Disallowed under Sec 40(A)(7)		23.88	
Provision for Bonus Disallowed under Sec 43B		11.12	
Rent Equalisation Reserve		9.48	
Donation Disallowed U/s 37(1)		15.82	
Disallowance under section 36(1)(va)		0.00	
CSR		45.68	
Penalty Disallowed U/s 37(1)			
- Under other laws	0	0.00	
Interest on TDS Disallowed U/s 37(1)		0.30	
		6,633.25	
Less : Depreciation as per Income Tax Rule, 1962		-1,277.48	
Gratuity Paid (Allowed as per payment Basis)		0.00	
Bonus Paid (Allowed as per payment Basis)		-12.15	
Provision for Bad Debts Reversed		-1.28	
Allowed u/s 43 B -TDS non-Deduction		0.00	
Income Taxable under Other Heads		-183.54	
Income from Business before set off		5,158.80	
Less : Set off of Business Loss		0.00	
Income from Business after set off			5,158.80
Income from other Sources			
Interest, Commssion, Rental & Other Income		183.54	
			183.54
Gross Total Income			5,342.34
Less: Deduction u/s 80G of the IT Act, 1961			-1.51
Less: Deduction u/s 80JJAA of the IT Act, 1961			-40.59
Total Income			5,300.25
Income Tax Liability as per S-115BAA			
Tax there on @ 22%		1,166.05	
Surcharge @ 10%		116.61	
Health & Education Cess @ 4%		51.31	
Tax thereon		1,333.97	
Tax Payable		1,333.97	
Less : TCS and TDS (As per Books)		-306.21	
		1,027.76	
Less : Advance Tax Paid		-650.00	
		377.76	
Add : Interest u/s 234A			
Interest u/s 234B		26.44	
Interest u/s 234C		45.40	
Interest u/s 234F			
Tax Payable Rounded Off		449.60	
Less : Self Assessment Tax Paid on		0.00	
Balance Tax Payable Rounded Off		449.60	



A-ONE STEEL AND ALLOYS PRIVATE LIMITED

CIN: U28999KA2012PTC063439

Address : A One House, No. 326, Ward No 08, CQAL Layout, Sahakarnagar, Bangalore KA 560092 IN

BALANCE SHEET AS AT 31ST MARCH, 2021

(All Amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Note No.	As at 31 March 2021 INR in Lakhs	As at 31 March 2020 INR in Lakhs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	2A	1,300.00	900.00
Reserves and Surplus	2B	10,236.86	3,947.02
		11,536.86	4,847.02
NON CURRENT LIABILITIES			
Long Term Borrowings	2C	6,901.37	6,814.41
Deferred Tax Liabilities	2D	563.14	503.80
Other Long term liabilities	2E	-	1,882.23
Long Term Provisions	2F	99.83	76.18
		7,564.35	9,276.61
CURRENT LIABILITIES			
Short-Term Borrowings	2G	7,398.35	8,052.25
Trade Payables			
MSME Trade Payables	2H	593.84	58.62
Other than MSME Trade Payables		12,254.55	12,083.67
Other Current Liabilities	2I	5,914.95	4,647.39
Short-Term Provisions	2J	461.20	297.11
		26,622.89	25,139.04
TOTAL		45,724.10	39,262.67
ASSETS			
NON CURRENT ASSETS			
Property Plant and Equipment	2K		
-Tangible Assets		9,979.36	10,688.64
-Intangible Assets		-	-
-Capital WIP		369.71	25.81
Non Current Investments	2L	864.87	854.38
Long Term Loans And Advances	2M	320.71	171.21
		11,534.65	11,740.04
CURRENT ASSETS			
Inventories	2N	13,682.24	8,047.42
Trade receivables	2O	14,613.03	15,442.68
Cash and Cash Equivalents	2P	2,570.03	913.15
Short Term Loans and Advances	2Q	3,246.88	2,990.13
Other Current Assets	2R	77.28	129.25
		34,189.45	27,522.63
TOTAL		45,724.10	39,262.67

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date.

For SINGHI & CO.

Chartered Accountants

ICAI FRN.302049E

Partner: VIJAY JAIN

M.No. 077508

Place: Bengaluru

Date: 28-09-2021



For and on behalf of the Board of Directors

SUNIL JALLAN

Director

DIN: 02150846

Place: Bengaluru

SANDEEP KUMAR

Director

DIN: 02112630

Place: Bengaluru

POOJA SARA NAGARAJA

Company Secretary

Place: Bengaluru

M No: A52496



A-ONE STEEL AND ALLOYS PRIVATE LIMITED

CIN: U28999KA2012PTC063439

Address : A One House, No. 326, Ward No 08, CQAL Layout, Sahakarnagar, Bangalore KA 560092 IN

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

(All Amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Note No.	For the Year ended 31 March 2021 INR in Lakhs	For the Year ended 31 March 2020 INR in Lakhs
INCOME			
Revenue from Operations	3A	1,48,509.34	1,23,438.53
Other Income	3B	183.54	348.66
		1,48,692.88	1,23,787.19
EXPENDITURE			
Cost of Raw Materials and Components Consumed	3C	1,32,880.79	1,11,056.54
Changes in Inventory of FG, WIP and stock-in-Trade	3D	(2,245.28)	(275.62)
Employee Benefit Expenses	3E	1,495.97	1,324.41
Finance Costs	3F	1,297.74	1,287.80
Depreciation and Amortization Expenses	2K	1,123.99	498.22
Other Expenses	3G	8,736.67	8,059.66
		1,43,289.88	1,21,951.01
PROFIT BEFORE PRIOR PERIOD ITEM		5,403.00	1,836.18
PRIOR PERIOD ITEM (Refer Note No.15)		-	43.02
PROFIT BEFORE TAX		5,403.00	1,793.15
TAX EXPENSE			
Current Tax		1,405.81	284.71
Tax for Earlier period		-	26.79
Deferred Tax Charge/(Credit)		59.35	128.52
		1,465.16	440.02
PROFIT FOR THE PERIOD		3,937.84	1,353.14
EARNINGS PER SHARE			
Basic - 9,04,931 Shares (Amount in Rs. Per Share)		435.15	150.35
Diluted - 9,04,931 Shares (Amount in Rs. Per Share)		435.15	150.35

The accompanying notes are an integral part of the financial statements

This is the statement of profit and loss referred to in our report of even date.

For and on behalf of the Board of Directors

For SINGHI & CO.

Chartered Accountants

ICAI FRN.302049E

Partner: VIJAY JAIN

M.No.077508

Place: Bengaluru

Date: 28-09-2021



SUNIL JALLAN

Director

DIN: 02150846

Place: Bengaluru

SANDEEP KUMAR

Director

DIN: 02112630

Place: Bengaluru

POOJA SARA NAGARAJA

Company Secretary

Place: Bengaluru

MNO: A52496



A-ONE STEEL AND ALLOYS PRIVATE LIMITED

CIN: U28999KA2012PTC063439

Address : A One House, No. 326, Ward No 08, CQAL Layout, Sahakarnagar, Bangalore KA 560092 IN

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(All Amounts are in Indian Rupees Lakhs, except share data and per share data, unless otherwise stated)

Particulars	Note No.	For the Year 31 March 2021	For the Year ended 31 March 2020
		INR in Lakhs	INR in Lakhs
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit / (Loss) from continuing operations after tax		3,937.84	1,353.14
Adjustments for:			
Depreciation and amortisation		1,123.99	498.22
Provision for Income tax		1,405.81	311.50
Long Term Provision		23.65	55.23
ShortTerm Provision		164.09	210.50
Deferred taxes		59.35	128.52
Finance charges		1,297.74	1,287.80
Operating profit from continuing operations before working capital changes		8,012.47	3,844.91
Changes in working capital:			
(Increase)/Decrease in Short terms loans and advances		(256.75)	(1,619.32)
(Increase)/Decrease in Debtors		829.65	(9,558.57)
(Increase)/Decrease in Inventory		(5,634.81)	581.65
(Increase)/Decrease in Other current assets		51.97	(78.80)
Increase/(Decrease) in Short-Term Borrowings		(653.90)	3,626.12
Increase/(Decrease) in Trade payables		706.10	5,673.72
Increase/(Decrease) in current liabilities		1,267.57	1,721.95
Cash generated from continuing operations		4,322.30	4,191.67
Taxes paid		(1,405.81)	(311.50)
Net cash generated from continuing operations		2,916.49	3,880.17
Net cash used in discontinuing operations			
Net cash generated from operating activities	A	2,916.49	3,880.17
B CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets and changes in capital work-in-progress		(758.61)	(2,623.92)
Increase in Non current investments		(10.49)	(354.30)
Net cash used in continuing operations		(769.10)	(2,978.22)
Net cash used in discontinuing operations			
Net cash used in investing activities	B	(769.10)	(2,978.22)
C CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Borrowings (Net)		86.97	(652.89)
Finance charges		(1,297.74)	(1,264.09)
Issue of Equity Shares(including premium)		2,752.00	-
Repayment of Long term Liabilities		(1,882.23)	1,372.54
Long term loans and advances		(149.50)	223.94
Net cash used in continuing operations		(490.51)	(320.50)
Net cash used in discontinuing operations			
Net cash used in financing activities	C	(490.51)	(320.50)
Net decrease in cash and cash equivalents	A+B+C	1,656.88	581.45
Cash and cash equivalents at the beginning of the year		913.15	331.70
Cash and cash equivalents at the end of the year		2,570.03	913.15
Components of cash and cash equivalents			
Cash and bank balance		2,570.03	913.15
Less: Margin money deposits		-	-
Cash and cash equivalents at the end of the year		2,570.03	913.15

This is the Cash Flow Statement referred to in our report of even date.

For SINGHI & CO.

Chartered Accountants

ICAI FRN.302049E

Partner: VIJAY JAIN

M.No.077508

Place: Bengaluru

Date: 28-09-2021

For and on behalf of the Board of Directors

SUNIL JALLAN

Director

DIN: 02150846

Place: Bengaluru

SANDEEP KUMAR

Director

DIN: 02112630

Place: Bengaluru

POOJA SARA NAGARAJA

Company Secretary

Place: Bengaluru

M.No: A52496

	As On 31st March 2021 INR in Lakhs	As On 31st March 2020 INR in Lakhs
NOTE 2A		
SHARE CAPITAL		
Authorised		
Equity shares	1,500.00	1,000.00
15,00,000 Equity shares of Rs 100 each (P.Y. 10,00,000 Equity Shares of Rs.100 each)		
	1,500.00	1,000.00
Issued, Subscribed and paid up		
Equity shares		
13,00,000 Equity Shares of Rs.100 each (PY 9,00,000 Equity Shares of Rs.100 each)	1,300.00	900.00
	1,300.00	900.00
Terms/rights attached to equity shares		
i) The company has only one class of equity shares having a par value of Rs. 100 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the equity share holders will be entitled to receive any of the remaining assets of the Company. The distribution will be in proportion to number of equity shares held by the shareholders.		
ii) No shares were reserved for issue under options and contracts/commitments for the sale of shares/disinvestment, including the terms and amounts.		
iii) The Company has authorised Share Capital of Rs. 15,00,00,000 divided into 15,00,000 equity shares of Rs.100 each. During the year the Company has increased authorised share capital from 10,00,00,000 to 15,00,00,000 by creating new class of shares amounting to Rs 5,00,00,000 dividend into 5,00,000 Non Cumulative redeemable Preference shares of Rs 100 each which is reclassified into 5,00,000 Equity Shares of Rs. 100 each.		
iv) There was no Shares issued for Non-Cash Consideration.		
Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period		
Equity shares:		
Number of Shares at the beginning of the year (9,00,000 Equity shares of Rs 100 Each)	9.00	9.00
Issued during the year (4,00,000 Equity Shares of Rs 100 Each)	4.00	-
Number of Share at the end of the Year	13.00	9.00
List of shareholders holding Equity shares more than 5% of subscribed share capital		
MONA JALLAN	1,77,600	1,77,600
(Percentage of holding)	13.66%	19.73%
KRISHAN KUMAR JALLAN (As individual)	3,79,770	3,36,670
(Percentage of holding)	29.21%	37.41%
KRISHAN KUMAR JALLAN (As Karta of HUF)	-	43,100
(Percentage of holding)	-	4.79%
SANDEEP KUMAR	3,00,250	1,00,250
(Percentage of holding)	23.10%	11.14%
SUNIL JALLAN	4,42,380	2,42,380
(Percentage of holding)	34.03%	26.93%



NOTE 2B**RESERVES AND SURPLUS****Surplus in Profit and Loss Account**

Beginning of the year	3,947.02	2,593.89
Profit (loss) for the year	3,937.84	1,353.14
Closing as on 31 March	7,884.86	3,947.02

Securities Premium Account

Beginning of the year	-	-
For the year	2,352.00	-
Closing as on 31 March	2,352.00	-

Total as on 31 March

10,236.86	3,947.02
------------------	-----------------

NOTE 2C**LONG TERM BORROWINGS****Secured Loans - From Banks and Others**

Term Loan for Car	28.93	42.41
Term Loan for Plant and Machinery	5,992.33	4,042.62
Less:- Current Maturities of Long term debt		
Term Loan for Car	(16.74)	(16.67)
Term Loan for Plant and Machinery	(947.34)	(1,152.45)
	5,057.18	2,915.91

1. Terms Loans for plant and Machinery are secured against hypothecation of Immovable Assets, Plant & Machinery, Movable Fixed Assets of the Company and directors and personal guarantee of Directors.

2. Term loan for Car are secured against hypothecation of respective Vehicles and personal guarantee of directors.

3. Refer Note 2H for Current Maturities of Long Term Debt.

4. Refer Note 9 of the financial statements for terms of repayment of secured Loans.

Unsecured Loans from related parties**From Directors***

Sandeep Kumar	969.41	1,050.19
Sunil Jallan	874.78	1,886.77
	1,844.19	2,936.96

Unsecured Loan from Others (Inter Corporate Loan)*

Others	-	961.54
	-	961.54

Total

6,901.37	6,814.41
-----------------	-----------------

* The loans are Interest free and are repayable on demand. However director have given declaration for not demanding the repayment of Loans in near future.

NOTE 2E**OTHER LONG TERM LIABILITIES**

Others.	-	1,882.23
	-	1,882.23

NOTE 2F**LONG TERM PROVISIONS**

Provision for Gratuity	99.83	76.18
	99.83	76.18

* The liability in respect of Gratuity, under Payment of Gratuity Act, 1972 is determined as on Balance Sheet date as per Actuarial report submitted by a Consulting Actuary. The gratuity liability as at the year ending 31st March 2021 was Rs. 1,00,30,560/- (P.Y. 2019-20 - Rs. 76,42,978/-).

NOTE 2G**SHORT TERM BORROWINGS**

Bank Cash Credit *	7,398.35	8,052.25
(*Secured against Hypothecated of current assets and collateral security of Immovable Property of the Company and directors and personal guarantee of Directors.)		
(Refer Note 9 of the financial statements for terms of repayment)		

Total

7,398.35	8,052.25
-----------------	-----------------



NOTE 2H**TRADE PAYABLES**

MSME Trade Payables *	593.84	58.62
Other Trade Payables**	12,254.55	12,083.67
Total	12,848.39	12,142.29

(* Refer Note 8 of Notes to financial statements)

(** It Includes amount related to Trade Payables for which payment to be made to financial Institutions in pursuance of bills discounted by them.)

NOTE 2I**OTHER CURRENT LIABILITIES**

Current Maturities of Long term debt *	964.08	1,169.12
Advances from Customers	3,477.89	3,001.09
Salary & Wages Payable	107.95	71.76
Balances with Statutory Authorities	854.32	43.78
Payable for Capital Goods	29.19	53.89
Lease Equalisation Reserve	66.79	57.30
Interest Payable	85.51	23.71
Audit Fees Payable	6.50	4.05
Expenses Payable	322.73	222.68
Total	5,914.95	4,647.39

* (For terms of repayment & security - Refer Note 2C)

NOTE 2J**SHORT TERM PROVISIONS**

Provision for Income Tax	449.60	284.71
Provision for Gratuity (Short Term)	0.48	0.25
Provision for Bonus	11.12	12.15
Total	461.20	297.11

* The liability in respect of Gratuity, under Payment of Gratuity Act, 1972 is determined as on Balance Sheet date as per Actuarial report submitted by a Consulting Actuary. The gratuity liability as at the year ending 31st March 2021 was Rs. 10,030,560/- (P.Y. 2019-20 - Rs. 76,42,978/-).

NOTE 2D**DEFERRED TAX LIABILITY/ (ASSET), NET**

Deferred tax liability	563.14	503.80
Total	563.14	503.80



	As On 31st March 2021 INR in Lakhs	As On 31st March 2020 INR in Lakhs
NOTE 2L		
NON -CURRENT INVESTMENTS		
Unquoted Equity Investments - At Cost		
Shares at Vanya Steels Private Limited (1,51,60,166 (P.Y 1,51,60,166) Equity Shares Face Value Rs 10, fully paid up)	850.08	850.08
Shares at Vyshali Energy Private Limited (47,926 (P.Y 43.026) Equity Shares Face value Rs 10, fully paid up)	4.79	4.30
Shares at A-One Gold Pipes And Tubes Private Limited (49,999 (P.Y NIL) Equity Shares Face value Rs 10, fully paid up)	4.9999	-
Shares at A-One Gold Steels India Private Limited (49,999 (P.Y NIL) Equity Shares Face value Rs 10, fully paid up)	4.9999	-
Total	864.87	854.38
NOTE 2M		
LONG TERM LOANS AND ADVANCES		
Security Deposit	320.71	171.21
	320.71	171.21
NOTE 2N		
INVENTORIES		
Raw Material		
-Sponge	2,079.86	434.65
-Scrap	2,303.55	842.56
-Others	2,082.35	563.01
Finished Goods		
- Pipe	1,910.67	2,328.94
- TMT	524.15	560.72
- Coil Sheet	1,064.50	284.40
- Billet	1,382.04	1,191.93
Stock-in-trade		
- Coal	699.98	605.20
-Scrap	192.66	-
Stores and Spares	1,442.46	1,236.01
Total	13,682.24	8,047.42
NOTE 2O		
TRADE RECEIVABLES		
Others -Unsecured, considered good	14,415.40	15,204.54
Outstanding more than 6 months		
Doubtful	222.81	264.60
Less:- Provision for Bad and Doubtful Debts	(25.18)	(26.46)
Net Doubtful	197.63	238.14
Total	14,613.03	15,442.68



NOTE 2P**CASH AND CASH EQUIVALENTS**

Balances with bank

i) in Current accounts

1,526.67

19.74

ii) Fixed Deposits

1,018.60

879.85

Cash in hand

24.76

13.56

Total**2,570.03****913.15****NOTE 2Q****SHORT TERM LOANS AND ADVANCES***(Unsecured - Considered Good)*

Balance with Statutory Authority

682.73

777.98

Advances to Employees

26.48

17.17

Advances for capital Goods

82.40

125.40

Advances to Suppliers

2,280.96

2,034.63

Prepaid Expenses

174.30

34.96

Total**3,246.88****2,990.13****NOTE 2R****Other Current Assets****Doubtful**

Processing Fees Recoverable

-

47.43

Excess Interest Recoverable

71.25

75.25

Others -considered good

Accured Interest on FD

5.48

6.02

MEIS Receivables

0.55

0.55

Total**77.28****129.25**

	Year ended 31 March 2021 INR in Lakhs	Year ended 31 March 2020 INR in Lakhs
NOTE 3A		
REVENUE FROM OPERATIONS		
Sale of products	1,48,509.34	1,23,438.53
Total	1,48,509.34	1,23,438.53
NOTE 3B		
OTHER INCOME		
Interest Income	62.90	52.14
Processing Income	66.20	124.51
Commission Income	1.00	-
Rental Income	6.09	-
Export Incentive	38.10	20.74
Insurance Claim for Stock	-	11.87
Misc Income	-	32.81
Foreign Exchange Fluctuation Gain	9.24	10.80
Liabilities Written Off	-	95.78
Total	183.54	348.66
NOTE 3C		
Cost of raw materials and components consumed		
Inventory at the beginning of the year	3,076.24	3,933.50
Add: Purchases (net of returns and volume discounts)	-	-
-Sponge	29,285.43	30,970.79
-Scrap	34,448.32	24,885.19
-Others	64,392.00	47,913.04
Less: Inventory at the end of the year	-6,465.77	-3,076.24
Freight & Transportation & Loading Charges	4,220.77	2,839.93
Import Expenses /High Sea Purchase Expenses	924.76	946.40
Storage Charges	193.47	-
Royalty Expenses	549.10	-
Handling Charges	1,214.22	1,620.14
Compensation Cess	782.92	241.88
Custom Duty/Import Duty	259.33	781.90
Total	1,32,880.79	1,11,056.54
NOTE 3D		
Changes in Inventory of Finished Goods		
(Increase)/ Decrease in inventories		
Inventories at the end of the year		
Finished Goods	7,216.47	4,971.19
Inventories at the beginning of the year		
Finished Goods	4,971.19	4,695.57
(Increase) / Decrease	-2,245.28	-275.62
NOTE 3E		
Employee Benefit Expenses		
Salary & Wages	1,410.19	1,223.99
Bonus	11.12	12.67
Staff Welfare Expenses	33.47	11.44
Contribution to Provident and Other Fund	17.32	20.88
Grauity	23.88	55.42
Total	1,495.97	1,324.41



NOTE 3F**Finance Costs**

Interest Expenses	1,216.98	1,241.69
Other Borrowing Cost	80.76	46.10
Total	1,297.74	1,287.80

NOTE 3G**Other Expenses**

Advertisement Expenses	341.99	334.92
Bad Debts	45.58	26.46
Business Promotion	15.40	23.55
Interest on Delayed Payment	98.60	-
Commission on Sales	52.88	68.91
Travelling and Boarding	11.85	33.10
CSR Expenditure	45.68	35.01
Electricity Charges	6,251.52	5,963.06
Export Expenses	38.52	32.19
Hire Charges	80.92	78.47
Insurance Charges	34.18	30.90
Packing, Forwarding & Handling Charges	4.02	20.28
Professional Charges	111.73	125.16
Rates and Taxes	66.68	78.66
Rent Expenses	995.96	982.75
Repair & Maintenance Expenses	180.12	85.33
Security Charges	62.90	51.12
Other Expenses	298.12	89.79
Total	8,736.67	8,059.66



NOTES TO THE FINANCIAL STATEMENTS

1) Background

A-ONE STEEL AND ALLOYS PRIVATE LIMITED was incorporated on 9 April 2012 with its registered office in Bangalore, India. The Company is manufacturer of heat & cold treatment of iron ,steels etc . The Company also undertakes machining and job works for its customers.

2) (a) Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') notified under Section 133 of the Companies Act, 2013.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles, requires the 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 periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the Property Plant and Equipment, provisions for bad and doubtful debts, recognition of deferred tax asset, provision for employee benefits and provision for income taxes.

3) Significant accounting policies

i. Revenue recognition

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Rendering of services

Processing Income is recognised as and when the related service is rendered.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

Duty incentives

Export entitlements under Duty Entitlement Pass Book Scheme ('DEPB') is recognised as income when the right to receive credit as per the terms of the Scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

ii. Inventories

Raw materials including components, stores and spares are valued at lower of cost and net realisable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

Work-in-Progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.



NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

iii. Property Plant and Equipment

Property Plant and Equipment are stated at cost or revalued amounts, as the case may be, less accumulated depreciation/amortisation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, net of refundable taxes.

Borrowing costs directly attributable to acquisition of those Property Plant and Equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Advances paid towards the acquisition of Property Plant and Equipment outstanding at each Balance Sheet date and the cost of Property Plant and Equipment not ready for their intended use before such date are disclosed as capital work-in-progress.

iv. Impairment of assets

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

v. Depreciation / amortisation

Depreciation on Property Plant and Equipment provided on Straight Line Method as per Schedule II of the Companies Act 2013. The useful life of the same are as under :-

Assets	Useful Life
Computers [NESD]	3 Years
Furniture & Fixtures [NESD]	10 Years
Motor Car [NESD]	8 Years
Motor Vehicles [NESD]	10 Years
Shed & Buildings [NESD]	30 and 60 Years
Plant and Equipment	15 and 20 Years
Technical know How [NESD]	20 Years
Office Equipment [NESD]	5 Years

Note :- NESD - No Extra Shift Depreciation

vi. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost.

However, provision for diminution in value is made to recognise a decline, other than temporary, in the value of the investments.

vii. Foreign currency transactions

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are restated at year-end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.

Non-monetary items denominated in foreign currency:

- which are carried in terms of historical costs are reported using the exchange rate at the date of transaction.
- which are carried at fair value or other similar valuation are reported using the exchange rate that existed when the values are determined.



NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

viii. Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument.

Derivative instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities and forecasted cash flows denominated in foreign currency. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments such as forward contracts, where the counterparty is a bank.

The accounting policies for forwards contracts are based on whether they meet the criteria for designation as effective cash flow hedges. To designate a forward contract as an effective cash flow hedge, the Company objectively evaluates with appropriate supporting documentation at the inception of the each contract whether the contract is effective in achieving offsetting cash flows attributable to the hedged risk. Effective hedge is generally measured by comparing the cumulative change in the fair value of the hedge contract with a cumulative change in the fair value of the hedged item.

The fair value of derivative financial instruments is determined based on observable market inputs including currency spot and forward rates, yield curves, currency volatility, etc.

Non-Derivative financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets of the Company mainly include cash and bank balances, sundry debtors, other loans and advances and derivative financial instruments with a positive fair value. Financial liabilities of the Company mainly comprise secured and unsecured loans, sundry creditors, accrued expenses and derivative financial instruments with a negative fair value. Financial assets / liabilities are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when all of risks and rewards of the ownership have been transferred. The transfer of risks and rewards is evaluated by comparing the exposure, before and after the transfer, with the variability in the amounts and timing of the net cash flows of the transferred assets.

The Company measures the financial assets and liabilities, except for derivative financial assets and liabilities at amortised cost using the effective interest method. The Company measures the short-term payables and receivables with no stated rate of interest at original invoice amount, if the effect of discounting is immaterial. Non-interest bearing deposits are discounted to their present value.

ix. Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognised as an expense in the Profit and Loss Account on a straight line basis.

x. Earnings per share

Basic earnings/(loss) per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends, if any and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings/(loss) 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.



NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

xi. Retirement benefits

Provident fund

Contributions payable to the Recognised Provident Fund, which is a defined contribution scheme, is recognised as an expense in the period in which services are rendered by the employee.

Gratuity

Gratuity is a post employment benefit and is a defined benefit plan. The liability recognised in the balance sheet represents the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (if any), together with adjustments for unrecognised past service costs. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Profit and Loss Account in the year in which such gains or losses arises.

Compensated absences

Liability in respect of leave becoming due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of earned leave becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of actuarial valuation by an independent actuary using the projected unit credit method.

Other short term benefits

Expense in respect of other short term benefits is recognised in the Profit and Loss Account on the basis of the amount paid or payable for the period during which services are rendered by the employee.

xii. Taxes on income

Current tax

Provision is made for income tax under the tax payable method, based on the liability computed, after taking credit for allowances and exemptions.

The Company has opted S-115BAA of the Income Tax Act.

Deferred tax

Deferred tax charge or credit reflects the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, in case of unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Unrecognised deferred tax assets of earlier years are re-assessed and recognised to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.



NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

xiii. Provisions and contingent liabilities and contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

xiv. Borrowing costs

Borrowing cost directly attributable to the acquisition, construction or productions qualifying assets are capitalised as part of assets. Other borrowings cost are recognised as an expense in the period in which they are incurred.

4) Employees Benefit Expenses

a) Defined Contribution Plan

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis

Amount recognised in the Statement of Profit and Loss	As at 31st March 2021	As at 31st March 2020
i) Contribution to Provident Fund	11.17	3.39
ii) Contribution to Employee State Insurance	6.02	7.65

b) Defined Benefit Plan

The following table sets out the status of the Gratuity Plan as required under AS 15. Reconciliation of the opening and closing balances of the present value of the defined benefit obligation and plan assets:

Particulars	As at March 31st 2021	As at March 31st 2020
Obligation at year beginning	76.43	21.01
Current Service cost	35.74	35.71
Interest Cost	5.23	1.62
Past service cost - (vested benefits)	-	-
Actuarial loss/(gain)	(17.09)	18.09
Benefits paid	-	-
Amendment in benefit paid	-	-
Obligation at the end	100.31	76.43
Defined benefit obligation liability as at the Balance Sheet date is fully funded by the company		
Change in plan assets	-	-
Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits paid	-	-
Fair value of plan assets as at the end of the period	-	-

Reconciliation of present value of the obligation and the fair value of plan assets:

	As on March 2021	As on March 2020	As on March 2019
Fair value of plan assets at the end of the year	-	-	-
Present value of the defined benefit obligations at the	100.31	76.43	21.01
Asset recognized in the balance sheet	-	-	-
Liability recognized in the balance sheet	100.31	4.29	5.39
Expenses recognized in the statement of P & L	23.88	55.42	10.04
Assumptions			
Discount Rate	6.85%	7.70%	7.80%
Salary escalation rate	10% for first 3 years & 7% thereafter	10% for first 3 years & 7.50% thereafter	10.00%
Attrition rate	0.00%	0.00%	0.00%
Expected rate of return on Plan Assets	0.00%	0.00%	0.00%



5) Related party transactions

i Key Managerial Personnel

- a) Mr. Sunil Jallan
b) Mr. Sandeep Kumar Jallan
c) Mr. Manoj Kumar
d) Mr. Krishna Kumar Jallan
e) Pooja Sara Nagaraja

Nature of relationship

- Director
Director
Director
Person having substantial Interest
Company Secretary

ii Name and relationship of related parties where transaction has taken place

Director

- a) Mr. Sunil Jallan
b) Mr. Sandeep Kumar
c) Mr. Manoj Kumar

Subsidiary

- Vanya Steels Private Limited
A-One Gold Pipes And Tubes Private Limited
A-One Gold Steels India Private Limited

Entities controlled by Director

- a) M/s. A One Steels India Private Limited
b) M/s. Aaryan Hitech Steels India Private Limited

Relatives of Director

- Krishan Kumar Jallan
Mona Jallan
Priya Jallan

iii Transactions with related parties during the period/ year are summarised below:

Nature of transactions	Relation	Year ended 31 March 2021	Year ended 31 March 2020
		INR in Lakhs	INR in Lakhs
Loan repaid by the Company			
Mr. Sunil Jallan	Director	1,583.21	134.57
Mr. Sandeep Kumar	Director	1,569.93	631.28
		3,153.14	765.85
Loan received by the Company			
Mr. Sunil Jallan	Director	571.22	20.00
Mr. Sandeep Kumar	Director	1,489.15	391.00
Vanya Steels Private Limited	Subsidiary	-	-
		2,060.37	411.00
Purchase of Goods			
A One Steels India Private Limited	Entities controlled by Director	9,317.42	4,790.07
Vanya Steels Private Limited	Subsidiary	6,216.40	3,984.02
		15,533.81	8,774.09
Sale of Goods			
A One Steels India Private Limited	Entities controlled by Director	7,682.77	4,086.92
Vanya Steels Private Limited	Subsidiary	10,758.46	3,340.88
Mr. Sandeep Kumar	Director	-	15.50
		18,441.23	7,443.29
Purchase of Plant & Machinery			
Vanya Steels Private Limited	Subsidiary	-	4.00
		-	4.00



Sale of Plant & Machinery		
Vanya Steels Private Limited	Subsidiary	- 9.21
		<u>- 9.21</u>
Payment of Lease Rental		
Aaryan Hitech Steels India Private Limited	Entities controlled by Director	450.00 450.00
		<u>450.00 450.00</u>
Remuneration		
Mr. Sunil Jallan	Director	60.00 60.00
		<u>60.00 60.00</u>
Investment in Shares		
A-One Gold Pipes And Tubes Private Limited	Subsidiary	5.00 -
A-One Gold Steels India Private Limited	Subsidiary	5.00 -
Vanya Steels Private Limited	Subsidiary	850.08 850.08
		<u>860.08 850.08</u>
Corporate Guarantee Given		
Vanya Steels Private Limited	Subsidiary	6,000.00 2,500.00
A-One Steels India Private Limited	Entities controlled by Director	2,873.90 -
		<u>8,873.90 2,500.00</u>
Corporate Guarantee Taken		
A-One Steels India Private Limited	Entities controlled by Director	5,000.00 -
		<u>5,000.00 -</u>
Balances receivable/ (payable) from and to the related parties are as follows:		
Mr. Sunil Jallan		(874.78) (1,886.77)
Mr. Sandeep Kumar		(969.41) (1,050.19)
A One Steels India Private Limited		(902.30) (1,514.61)
Vanya Steels Private Limited		(372.31) (304.28)
Aaryan Hitech Steels India Private Limited		(6.14) 225.29
		<u>(3,124.94) (4,530.57)</u>



Auditors' remuneration *

For Statutory audit, taxation Matters,
and Other Services*

Year ended 31 March 2021 INR in Lakhs	Year ended 31 March 2020 INR in Lakhs
6.50	4.50
6.50	4.50

* Excluding Goods and Service Tax

6) Previous year comparatives

The financial statements for the year ended 31 March 2021 had been prepared as per the the applicable schedule II to the Companies Act, 2013 & the financial statements for the year ended 31 March 2020 are also been prepared as per Schedule III. However, Previous year's amounts have been regrouped/ reclassified wherever considered necessary to conform to those of the current year.

7) Operating Lease

The Company have significant operating lease arrangement for premises. This lease arrangement has lease period of 9 Years. The lease is renewable for further period of 3 Years after the end of 9 Years subject to the term of this lease on mutually agreeable and also includes escalation Clause.

Particulars	Within 1 Year	Between 1 and 5 Years	Beyond 5 Years
Minimum Lease payments	514.18	2,149.98	140.38

8) Disclosure under MSMED Act, 2006.

The Company has received intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amount unpaid as at year end together with interest paid / payable under this Act have been filed to ROC via MSME Forms. There is also no amount of outstanding interest in this regard, brought forward from previous years. The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	593.84	58.62
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
(vii) Further interest remaining due and payable for earlier years	-	-

9) Terms of Repayment :-

Details of Loan	Repayment Period (In months)	Installments yet to be due as on 31/03/2021	Amount Payable as on 31/03/2021	Interest Rates
HDFC Bank Term Loan 82897672	64	25	473.51	7.55%
HDFC Bank Term Loan 83130198	64	29	881.12	7.85%
HDFC Bank Term Loan 83867083	86	65	2,167.71	8.15%
HDFC Bank Term Loan 9617609	60	59	2,470.00	7.50%
HDFC Car Loan 54639092	60	23	8.94	8.50%
HDFC Car Loan 59269097	60	29	9.88	9.25%
Axis Bank Car Loan	60	16	3.09	9.01%
HDFC Car Loan 68928829	60	39	7.02	9.50%



10) **Contingent Liabilities and Commitments**

a) **Litigations**

Name of the Party	Type of Legal Case	As at March 31, 2021	As at March 31, 2020
IndusInd Bank Ltd *	Refer * point below		47.43
Office of the Commissioner of Central Tax (GST)	Refer ** point below	-	429.14

b) **Capital Commitments**

As at March 31, 2021 As at March 31, 2020

- Estimated value of Contracts in capital account remaining to be executed

- 125.40

c) **Guarantees**

Name of the Party	Nature of Commitments	As at March 31, 2021	As at March 31, 2020
Vanya Steels Private Limited	Corporate Guarantee	6,000.00	2,500.00
A-One Steels India Private Limited	Corporate Guarantee	2,873.90	-
Karnataka Renewal Energy Development Limited	Bank Guarantee	95.00	95.00

11) **Earnings per Share - Basic**

March 31, 2021 March 31, 2020

Net Profit after Tax for the year	3,938	1,353
Less: Dividend on CCCPS	-	-
Adjusted Net Profit for the Year (A)	3,938	1,353
Weighted Average number of Equity Shares outstanding during the year (B)	9,04,932	9,00,000
Nominal Value per Equity Shares	100	100
Earnings per Share - Basic (A/B)	435.15	150.35

Note - There is no dilution to the Earnings per share as there are no dilutive potential

12) **Details of foreign exchange transactions :-**

Year ended Year ended
March 31, 2021 March 31, 2020

INR In Lakhs INR In Lakhs

Transactions in foreign currency*

Export of Goods (on F.O.B basis)
Import of Goods (on C.I.F basis)

2,985.27	111.67
1,019.99	6,960.71

* (foreign exchange earning represents the amount invoiced. It does not include the amount not invoiced but recognised as income as per accounting policy)



13) **SEGMENT INFORMATION**

The company's operating segments are established on the basis of those components that are evaluated regularly by the Company, in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the deferring risks and returns and internal business reporting systems.

The company has two principal operating segments; viz. , 1. Trading, and 2. Manufacturing.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

i. Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment.

Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

ii. Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

ii. Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

SEGMENT INFORMATION FOR THE YEAR ENDED AS AT 31 MARCH 2021

Primary Segment Reporting

Particulars	Year Ended 31 March'21				
	Trading			Manufacturing	Total
	Coal	Sponge Iron	Others		
1. Segment Revenue					
Revenue from Operations	23,344.76	9,571.32	17,995.86	97,597.40	1,48,509.34
Total Sales/Income from Operations	23,344.76	9,571.32	17,995.86	97,597.40	1,48,509.34
2. Segment Result before Interest, Depreciation and Taxes	-599.64	130.87	486.39	8,201.21	8,218.83
Less : Unallocable Expenses					
- Finance Cost					1,297.74
- Depreciation					1,123.99
- Other Unallocable Expenses					577.64
Add : Other Income					183.54
Profit Before Tax	-599.64	130.87	486.39	8,201.21	5,403.00
Taxes					
- Current tax					-1,405.81
- Deferred tax					-59.35
Profit After Tax	-	-	-	-	3,937.84
3. Other Information					
Segment Assets	5,301.01	1,255.61	2,527.77	35,774.84	44,859.23
Segment Liabilities	2,556.15	764.35	1,673.06	14,230.98	19,224.54

Secondary Segment Reporting

Segment Revenue External Revenue					
(a) Within India					1,45,524.06
(b) Outside India					2,985.27
Total					1,48,509.34



SEGMENT INFORMATION FOR THE YEAR ENDED AS AT 31 MARCH 2020

Primary Segment Reporting

Particulars	Trading	Manufacturing	Total
i. Segment Revenue and Results:			
Revenue from operations	20,181.10	1,03,381.94	1,23,563.04
Less: Inter Segment Revenue	-979.70	979.70	-
Total Sales/Income from Operations	19,201.40	1,04,361.64	1,23,563.04
Allocated Expenses	20,384.24	1,01,385.65	1,21,769.89
Segment operating income	-1,182.84	2,975.99	1,793.15
ii. Other Information			
Segment Assets			
Allocated Assets	6,816.67	31,591.63	38,408.29
Unallocated Assets			854.38
Total Segment Assets	6,816.67	31,591.63	39,262.67
Segment Liabilities			
Allocated Liabilities	3,259.67	31,155.98	34,415.65
Unallocated Liabilities			4,847.02
Total Segment Liabilities	3,259.67	31,155.98	39,262.67

Secondary Segment Reporting

Segment Revenue External Revenue				
(a) Within India				1,23,451.37
(b) Outside India				111.67
Total				1,23,563.04

14) Impact of Covid-19 :

The outbreak of Coronavirus (COVID-19) globally and in India has impacted business and economic activities in general. The spread of COVID-19 along with nationwide lockdown starting from 25th March 2020, has caused serious threat to human lives and resulted in reduction in global demand and disruption in supply chain, which have forced the business to restrict or close the operation in short term.

The company has assessed internal and external information up to the date of approval of the financial statements while reviewing the recoverability of assets & financial resources, performance of contractual liability and obligation, ability to service the debt and liabilities. Based on such assessment, the company expects to fully recover the carrying amounts of the assets and comfortably discharge its debts and obligations. The company is positive on the long term business outlook as well as its financial position. However, it will continue to closely monitor any material changes to future economic conditions as the COVID-19 situation continues to evolve in India and globally.

15) The Prior Period Item of Rs 43,02,292 is for FY 2019-20 is related to Lease Equilisation Reserve as per AS-19 out of which Rs 14,34,097 belongs to F.Y 2017-18 and Rs 28,68,195 belongs to F.Y 2018-19.

16) The Company has spent excess CSR as provided under sub-section (5) of section 135, to the tune of Rs 11,96,903. Such excess amount will be set off up to immediate succeeding three financial years.

17) The balance under sundry creditors, sundry debtors, advance from customers, and other advances are subject to confirmation.

For SINGHI & CO.

Chartered Accountants
ICAI FRN.302049E

Partner: VIJAY JAIN
M.No.077508
Place : Bengaluru
Date: 28/09/2021

For and on behalf of the Board of Directors

SUNIL JALLAN
Director
DIN: 02150846
Place: Bengaluru

SANDEEP KUMAR
Director
DIN: 02112630
Place: Bengaluru

POOJA SARA NAGARAJA
Company Secretary
Place: Bengaluru

MNo: A52496

A-ONE STEEL AND ALLOYS PRIVATE LIMITED									
NOTE : 2K PROPERTY, PLANT AND EQUIPMENTS									
PARTICULARS	GROSS BLOCK (AT COST)					NET BLOCK			
	As at 01-04-2020	Additions / Adjustments during the Year	Deductions during the Year	As at 31-03-2021	Upto 01-04-2020	For the Year	Deductions during the Year	Upto 31-03-2020	As at 31-03-2020
Tangible Assets									
Freehold Land	114.51	60.22	-	174.73	-	-	-	-	114.51
Shed & Buildings	640.17	33.31	-	673.48	59.17	20.49	-	79.67	593.81
Plant and Equipment	10,645.30	146.22	-	10,791.53	869.62	1,050.06	-	1,919.67	8,871.85
Electrical Installation	190.80	26.62	-	217.42	109.50	17.72	-	127.22	90.19
Furniture & Fixtures	18.57	65.82	-	84.40	2.16	4.09	-	6.25	78.15
Office Equipments	28.28	15.85	-	44.13	12.44	5.90	-	18.35	25.78
Computers	25.95	29.74	-	55.69	12.11	9.26	-	21.37	34.32
Intangible Assets	0.45	-	-	0.45	0.45	-	-	0.45	(0.00)
Motor Car	141.40	36.93	-	178.32	51.32	16.47	-	67.79	110.53
Capital WIP									
Solar Project	19.72	15.00	-	34.72	-	-	-	-	19.72
Ladle Refining Furnace (LRF)	6.08	-	-	6.08	-	-	-	-	6.08
Flying Shear Machine	-	10.50	-	10.50	-	-	-	-	-
Hydraulic Continuous Shearing Machine	-	71.00	-	71.00	-	-	-	-	-
Mill Stand Combined Base Plate -280mm	-	2.00	-	2.00	-	-	-	-	-
Plant & Machinery - CWIP	-	245.40	-	245.40	-	-	-	-	-
TOTAL	11,831.23	758.61	-	12,589.84	1,116.78	1,123.99	-	2,240.77	10,349.07
Previous Figures	9,153.43	3,411.08	733.27	11,831.23	618.56	498.22	-	1,116.78	10,714.45
									8,534.86



A-ONE STEEL AND ALLOYS PRIVATE LIMITED

ANNEXURE - IV

Depreciation As per I.T.Rules 1962, For FY 2020-21

Rs in Lakhs

Particulars	Rate of Dep.	WDV AS ON 01-04-20	Additions		Deletions/ Adjusted/ capitalised	Total	Dep.	WDV AS ON 31-03-2021
			More than 180 days	Less than 180 days				
Freehold Land	0%	114.51	-	60.22	-	174.73	-	174.73
		<u>114.51</u>	<u>-</u>	<u>60.22</u>	<u>-</u>	<u>174.73</u>	<u>-</u>	<u>174.73</u>
Block A								
Factory & Office Building	10%	477.40	-	33.31	-	510.70	49.41	461.30
Furniture	10%	15.81	16.20	49.62	-	81.64	5.68	75.96
Office Equipment	10%	20.42	1.04	23.58	-	45.03	3.32	41.71
		<u>513.63</u>	<u>17.23</u>	<u>106.51</u>	<u>-</u>	<u>637.37</u>	<u>58.41</u>	<u>578.96</u>
Block B								
Plant & Machinery	15%	7,737.20	110.41	27.06	-	7,874.66	1,179.17	6,695.49
Electrical & Water Installation	15%	65.40	3.64	22.98	-	92.02	12.08	79.94
Motor Car	15%	79.48	0.90	29.02	-	109.41	14.23	95.17
Two Wheeler	15%	5.48	-	-	-	5.48	0.82	4.66
Air Conditioner	15%	0.45	-	-	-	0.45	0.07	0.38
		<u>7,888.01</u>	<u>114.95</u>	<u>79.06</u>	<u>-</u>	<u>8,082.02</u>	<u>1,206.37</u>	<u>6,875.64</u>
Block C								
Computer	40%	11.55	2.39	27.35	-	41.28	11.04	30.24
		<u>11.55</u>	<u>2.39</u>	<u>27.35</u>	<u>-</u>	<u>41.28</u>	<u>11.04</u>	<u>30.24</u>
Block D								
Rolling Mill Rolls	40%	0.20	-	-	-	0.20	0.08	0.12
		<u>0.20</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.20</u>	<u>0.08</u>	<u>0.12</u>
Block D								
Motor Lorries	45%	-	-	7.00	-	7.00	1.58	5.43
		<u>-</u>	<u>-</u>	<u>7.00</u>	<u>-</u>	<u>7.00</u>	<u>1.58</u>	<u>5.43</u>
Capital WIP								
Solar Project	0%	19.72	-	15.00	-	34.72	-	34.72
CWIP - LRF	0%	6.08	-	-	-	6.08	-	6.08
Flying Shear Machine	0%	-	-	10.50	-	10.50	-	10.50
Hydraulic Continuous Shearing Machine	0%	-	-	71.00	-	71.00	-	71.00
Mill Stand Combined Base Plate -280mm	0%	-	-	2.00	-	2.00	-	2.00
Plant & Machinery - CWIP - Interstate	0%	-	-	245.40	-	245.40	-	245.40
		<u>25.80</u>	<u>-</u>	<u>343.90</u>	<u>-</u>	<u>369.70</u>	<u>-</u>	<u>369.70</u>
TOTAL		<u>8,553.70</u>	<u>134.57</u>	<u>624.03</u>	<u>-</u>	<u>9,312.31</u>	<u>1,277.48</u>	<u>8,034.82</u>



A-ONE STEEL & ALLOYS PRIVATE LIMITED
Deferred tax calculation

31-03-2021
(Amount in Lakhs)

Calculation of deferred Tax Asset/(Liabilities)			DTA (DTL)
			25.17%
Fixed Assets			
WDV as per Income Tax Act	8,034.82		
WDV as per Companies Act	10,349.07		
Depreciation more claimed in Income Tax act		(2,314.24)	(582.45)
Expenses not allowed under income tax			
- Provision for Bonus	11.12		
(-) Deduction for 80JJAA for Future Years (30%)			
-A.Y 2022-23 (FY 2019-2020)	32.23		
-A.Y 2022-23 (FY 2020-21)	-		
-A.Y 2023-24 (FY 2020-21)	-		
- Rent Equalization Reserve	9.48		
- Provision for Gratuity Disallowed under Sec 40(A)(7)	23.88		
		76.71	19.31
Net Deferred Tax Asset/(Liabilities)			(563.14)
Adjusted : Previous year DTA/(DTL)			(503.80)
Deferred Tax Asset/(Liability) to be charged to P & L account			(59.35)

