

**SECURED AND UNSECURED
CREDITORS**

HIRA

HIRA STEELS LIMITED

Regd. Office: 720/1 Rawabhata, Industrial Area Raipur, Chhattisgarh, 492001
Corporate Office : G-16, Hira Arcade, Near New Bus Stand Pandri Raipur, C.G., 492001
Web Site: <https://www.hiragroup.com/>, Email Id: co.secretary@hiragroup.com
CIN: U27104CT1994PLC008555, Contact No.: 0771-4082688 Fax: 0771-4082693

**JOINT NOTICE FOR THE MEETING OF THE SECURED CREDITORS
AND UNSECURED CREDITORS
OF
HIRA STEELS LIMITED**

(Convened pursuant to an order dated 28th November, 2022 passed by the Hon'ble National Company Law Tribunal, Cuttack Bench)

MEETING:

Day	:	Friday
Date	:	30 th December, 2022
Time	:	11:30 A.M.
Venue	:	Hira Group Conference Room, 2 nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001

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FORM NO. CAA 2
[Pursuant to Section 230(3) and Rule 6 & 7]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
CUTTACK BENCH, CUTTACK

COMPANY APPLICATION (CAA) NO.8/CB/2022

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

In the matter of application under Section 230(1) [read with Section 232(1)]
of the Companies Act, 2013 and other applicable provisions of the
Companies Act, 2013

AND

In the matter of Scheme of Amalgamation of Jagdamba Power and Alloys
Limited ('the Transferor Company') with Hira Steels Limited ('the
Transferee Company')

Hira Steels Limited, company incorporated under the
Companies Act, 1956, having its registered office 720/1
Rawabhata, Industrial Area, Raipur, Chhattisgarh

... APPLICANT/ TRANSFEREE COMPANY

**JOINT NOTICE CONVENING THE MEETING OF THE SECURED AND UNSECURED CREDITORS
OF THE APPLICANT/TRANSFEREE COMPANY**

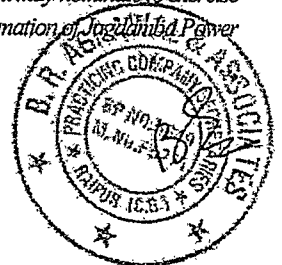
To,

All the Secured and Unsecured Creditors of Hira Steels Limited ("HSL" or the "Applicant Company/
Transferee Company"):

NOTICE is hereby given that by an Order dated 28th day of November, 2022 (the "Order"), the Hon'ble National Company Law Tribunal, Bench at Cuttack ("NCLT") has directed a meeting to be held of the Secured and Unsecured Creditors of the Transferee Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Jagdamba Power and Alloys Limited ('the Transferor Company') with Hira Steels Limited ('the Transferee Company') and their respective Shareholders and Creditors ("Scheme").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the Secured and Unsecured Creditors of the Transferee Company will be held on Friday, 30th day of December, 2022 at 11:30 A.M. (IST) at Hira Group Conference Room, 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001 to transact the following business and the following resolution will be considered with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench at Cuttack ("NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the ("Board")), which term shall be deemed to mean and include one or more Committee(s) constituted to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution, the arrangement embodied in the Scheme of Amalgamation of Jagdamba Power



and Alloys Limited (the Transferor Company' or "JPAL") with Hira Steels Limited (the Transferee Company' or "HSL") and their respective Shareholders and creditors ("Scheme") placed before this meeting and initialed by the Chairman of the meeting for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under any law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

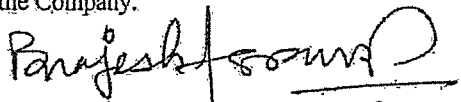
The undersigned CS Brajesh R. Agrawal, Practicing Company Secretary (Mem. No. FCS 5771, CP No. 5649) has been appointed as the Chairman of the NCLT Convened Meeting of Secured and Unsecured Creditors ("Meeting") including for any adjournment or adjournments thereof by NCLT.

The Scheme, if approved in the aforesaid meeting, will be subject to the subsequent approval of NCLT.

A copy of the Explanatory Statement, under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed and can be obtained free of charge on any days (except Saturday, Sunday and public holidays) between 10:00 A.M. to 12:00 Noon at the registered office of the Company. Persons entitled to attend and vote at the meeting, may vote in person or by proxy, provided that all proxies in the prescribed form are deposited at the Registered office at 720/1 Rawabhata, Industrial Area, Raipur, Chhattisgarh 492001, not later than 48 hours before the meeting.

Forms of proxy can be obtained at the above mentioned office address of the Company.

Dated this day of 28th November, 2022
Registered office:
720/1 Rawabhata, Industrial Area,
Raipur, Chhattisgarh, 492001

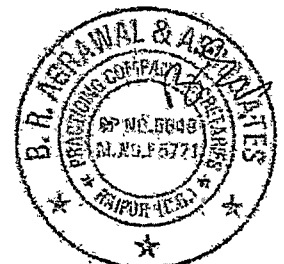

CS. Brajesh R. Agrawal
(Chairman appointed for the aforesaid NCLT
Convened Meeting)

Notes:

1. NCLT by its Order has directed NCLT Convened Meeting of the Secured and Unsecured Creditors of the Transferee Company shall be held at Hira Group Conference Room, 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001 on Friday, the 30th day of December, 2022 at 11:30 A.M. (IST) for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme.
2. Secured and Unsecured Creditors of the Transferee Company may attend and vote either in person or by proxy or in the case of a body corporate, by a representative authorized at the NCLT Convened Meeting of the Secured and Unsecured Creditors of the Transferee Company. The authorized representative of a body corporate may attend and vote at the NCLT Convened Meeting of the Secured and Unsecured Creditors of the Transferee Company provided a copy of the resolution of the Board of Directors or other governing body of the body corporate authorizing such representative to attend and vote at the NCLT Convened Meeting of the Secured and Unsecured Creditors, duly certified to be a true copy by a director, the manager, the secretary or other authorized officer of such body corporate, is deposited at the Registered office at 720/1 Rawabhata, Industrial Area, Raipur, Chhattisgarh 492001 not later than 48 (forty eight) hours before the scheduled time of the commencement of the NCLT Convened Meeting of the Secured and Unsecured Creditors of the Transferee Company.

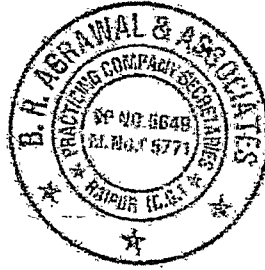


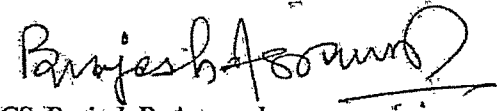
3. A Secured Creditors or Unsecured Creditors or his proxy or authorized representative, as the case may be, attending the meeting, is requested to bring the copy of the notice to the meeting and produce the Attendance Slip, duly completed and signed at the entrance of the meeting venue.
4. An individual Secured Creditors and Unsecured Creditors or the authorized representative of the Secured Creditors and Unsecured Creditors (in case such Secured Creditors or Unsecured Creditors is a body corporate) or the proxy should carry a copy of their valid and legible identity proof (i.e. PAN Card/Aadhaar Card/Passport/Driving License/Voter ID Card) to the meeting.
5. Form of Proxy is annexed to this Notice and can also be obtained free of charge from the registered office of the Transferee Company.
6. All alterations made in the Form of Proxy should be initialled.
7. Secured Creditors whose names appear on the list of Secured Creditors as on 31.07.2022 will be considered for the purpose of voting at the meeting.
8. Unsecured Creditors whose names appear on the list of Unsecured Creditors as on 31.07.2022 will be considered for the purpose of voting at the meeting.
9. The voting rights of Secured Creditors and Unsecured Creditors shall be in proportion to the principal amount due to the Secured Creditors and Unsecured Creditors as on 31.07.2022.
10. In compliance with the provisions of 230 read with Section 232 of the Companies Act, 2013 the Transferee Company has provided the facility of voting by polling paper at the meeting to enable the Secured Creditors and Unsecured Creditors, to consider and approve the Scheme by way of the aforesaid resolution.
11. The Notice along with the form of proxy of the NCLT Convened Meeting of the Secured and Unsecured Creditors together with the documents is being sent in electronic mode to all the Secured Creditors and Unsecured Creditors who have registered their e-mail ids with the Transferee Company or by registered post or by courier or by speed post or by hand delivery, to those Secured Creditors and Unsecured Creditors who were the Secured Creditors and Unsecured Creditors of the Transferee company as on 31.07.2022. The Notice will also be displayed on the website of the Transferee Company <https://www.hiragroup.com/>. The Secured Creditors or Unsecured Creditors can make any requisition to obtain a copy of the Scheme, to Transferee Company by e-mail at co.secretary@hiragroup.com and the Transferee Company is required to furnish a copy of the Scheme within one day of any requisition.
12. Mrs. Tanveer Kaur Tuteja, Practicing Company Secretary (Mem. No. FCS 7704, CP No. 8512) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
13. The Scrutinizer shall within a stipulated period from the conclusion of the NCLT Convened Meeting of the Secured and Unsecured Creditors unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
14. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be considered approved by the Secured Creditors and Unsecured Creditors only if the Scheme is approved by majority in number representing three-fourths in value of the Secured Creditors and Unsecured Creditors, of Transferee Company, voted by way of Polling papers at the meeting.
15. The Explanatory Statement pursuant to section 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 is annexed hereto.



16. Any queries/grievances in relation to the voting polling papers may be addressed to Mr. Arun Poddar, Director of the Transferee Company at the Registered Office of the Company at 720/1 Rawabhata, Industrial Area Raipur C.G., 492001 or through email to co.secretary@hiragroup.com. Mr. Arun Poddar, Director of the Transferee Company can also be contacted at +91 771 4082776.

Dated this day of 28th November, 2022
Registered office:
720/1 Rawabhata, Industrial Area,
Raipur, Chhattisgarh, 492001




CS. Brajesh R. Agrawal
(Chairman appointed for the aforesaid NCLT
Convened Meeting)

FORM NO. CAA 2
[Pursuant to Section 230(3) and Rule 6 & 7]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH, CUTTACK

COMPANY APPLICATION (CAA) NO.8/CB/2022

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

In the matter of application under Section 230(1) [read with Section 232(1)] of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

AND

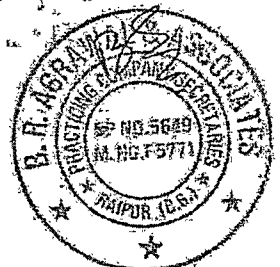
In the matter of Scheme of Amalgamation of Jagdamba Power and Alloys Limited ("the Transferor Company") into and with Hira Steels Limited ("the Transferee Company")

Hira Steels Limited, company incorporated under the Companies Act, 1956, having its registered office 720/1 Rawabhata, Industrial Area, Raipur, Chhattisgarh

APPLICANT/ TRANSFEREE COMPANY

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(1) AND (2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

1. Pursuant to the order dated 28th November, 2022 passed by the Hon'ble National Company Law Tribunal, Bench at Cuttack (the "NCLT"), in Company Scheme Application No. (CAA) NO.8/CB/2022 ("Order"), a meeting of the Secured and Unsecured Creditors of Hira Steels Limited (hereinafter referred to as the "Transferee Company" or "HSL" as the context may admit) will be held on Friday, 30th day of December, 2022 at 11:30 A.M. (IST) at Hira Group Conference Room, 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001 for the purpose of considering, and if thought fit, approving, with or without modification(s), Scheme of Amalgamation of Jagdamba Power and Alloys Limited ("the Transferor Company") with Hira Steels Limited ("the Transferee Company") (as the context may admit) and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme"). JPAL and HSL are together referred to as the "Companies". The Scheme, which has been, approved by the Board of Directors of the Transferee Company at their meetings held on 15th September, 2022.
2. This statement is being furnished as required under Sections 230(3), 232(1) and (2) and 102 of the Companies Act, 2013 (the "Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").
3. The quorum for the aforesaid NCLT Convened meeting of the Secured Creditors and Unsecured Creditors of the Transferee Company shall be two persons present in person or through Authorized Representative.
4. In accordance with the provisions of Sections 230 to 232 of the Companies Act, 2013, the Scheme shall be considered approved by the Secured Creditors and Unsecured Creditors of the Transferee Company only if the Scheme is approved by majority in number representing three-fourths in value of the Secured Creditors and Unsecured Creditors, of Transferee Company, voted by way of Polling papers at the meeting.



Particulars of Jagdamba Power & Alloys Limited (JPAL)

5. Jagdamba Power and Alloys Limited the JPAL/Transferor Company was incorporated as a Public Limited Company under the Companies Act, 1956, on 16th September, 1999 in the name of Vinay Ispat Limited in the State of Chhattisgarh. The name of the Company has been changed from Vinay Ispat Limited to Hira Bio Fuels Limited and obtained a fresh Certificate of Incorporation dated 14th January, 2003 consequent on change of name from the Registrar of Companies, Madhya Pradesh & Chhattisgarh. The name of the company has been further changed to its present name i.e. Jagdamba Power and Alloys Limited and obtained a fresh Certificate of Incorporation dated 6th April, 2004 consequent upon change of name from the Registrar of Companies, Madhya Pradesh & Chhattisgarh. The CIN of the Company is U27104CT1999PLC013744. There has been no further change in the name of JPAL in the last five (5) years. The Permanent Account Number of JPAL is AABCH2706E. The equity shares of JPAL are not listed on any stock exchanges.
6. The Registered Office of JPAL is situated at Hira Arcade, Hira Group of Company, New Bus Stand, Pandri, Raipur-492 001, Chhattisgarh. There has been no change in the Registered Office address of JPAL in last five (5) years. The e-mail address of JPAL is co.secretary@hiragroup.com
7. The objects for which JPAL has been established are set out in its Memorandum of Association. The main object of JPAL are, inter alia, as follows:
 - To produce, generate, transmit, transform, store, utilize, Electrical Energy, Thermal Energy, Bio Energy, Solar Energy, Hydro Power, Bio Power, Bio Gas, Producer Gas, Coal Gas, Natural Gas, Hydrogen Gas, Global Gas, Oxygen Gas, Nitrogen Gas, Fuel Gas, Coal gassified Gas, Steam Water Gas, Methane Gas, Petroleum Gas, RLH Gas and Fuel Gases and Electricity necessary for the purpose of the Business of the Company and to buy or sell to M.P.E.B, NTOC, National Grid, Industries, Government or/ and Private Consumers resulting from the process from ancillary to such generation, production and making of electricity, energy, gases and if required to convert the generated by products, wastes, effluents and emissions into saleable materials like Coke, Ash, Bricks, Briquettes, Charcoal, Cinders, Tar, Creosote Oils, Phenols, Benzens, Xylenes, Carbolic Acid, Gypsum and other chemicals or distilled products and by- products and to otherwise deal with and to dispose of the same and to take all steps incidentals or required in respect of the same and to produce, extract, prepare, manufacture, purchase, utilize, refine or turn to account carbon, graphite, synthetic or natural coal, petroleum substances in all their various forms and derivatives and their products by products and ancillary products.
 - To carry on in India or elsewhere the business of manufacturing, producing, altering, converting, processing, treating, improving, manipulating, extruding, milling, sidling, cutting, casting, forging, rolling and re-rolling of all shapes, sizes, varieties, specification, dimensions, descriptions and strength of iron and steel products, including bars, rods, structures, profiles, pipes, sheets, castings, wires, rolling metals, girders, channels, angles, road, ingots, flat, slabs, torsteels, bright bars, shafting, beams, rounds, squares, hexagons, octagons, foils, joints, crane parts, furnace parts, deformed bars, their products, by-products and allied materials, goods, articles and things made of all grades of iron steel, alloy steel, special steel, sponge iron, pig iron, wrought iron or any combination thereof with any other ferrous or non-ferrous materials and to act as agent, broker, distributors, stockiest, importer, exporter, buyer, seller, job-worker, converter, consultant, supplier, vendor or otherwise.
 - To carry on in India or anywhere in the world the business to produce, commercialize, extract, mine, exploit, develop, distribute, derive, discover, dig, blast, grade, handle, manipulate, operate, organize, prepare, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, mine owner, quarry owner, loader, unloader, transporter, collaborator, job worker or otherwise to deal in all types of minerals, their concentrates, compounds, products, by products, derivatives, mixtures, ingredients & residues available on planet of the earth i.e. on land, water or otherwise including iron ore, dolomites, coal, lime, bauxite ore, copper ore, mine, thorium ore, rare earth ore, monazite, sumerskite, alienate, chrome ore, manganese ore, lead, tin, magnesium, gypsum, stones and other allied goods, present or future.



There has been no change in the object clause of JPAL in the last 5 years.

8. JPAL is mainly engaged in manufacturing of H.B Wires and providing loans and advances and making investments in its group companies.
9. That the Authorized, Issued, Subscribed and Paid Up Share Capital of JPAL/Transferor Company as per the latest Audited Financial Statement as at 31st March, 2022 is as under:-

Share Capital	Amount in Rs.
Authorised Share Capital	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and Paid Up Capital	
76,69,700 Equity Shares of Rs. 10/- each	7,66,97,000
Total	7,66,97,000

That subsequent to 31st March, 2022, JPAL/Transferor Company has bought-back 26,05,000 equity shares. Subsequent upon the buy-back the Issued, Subscribed and Paid Up Share Capital of JPAL/Transferor Company as on 31st July, 2022 is as follow:-

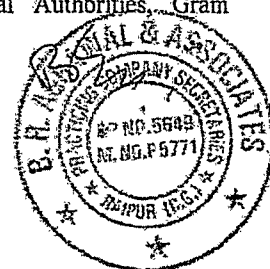
Share Capital	Amount in Rs.
Authorised Share Capital	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and Paid Up Capital	
50,64,700 Equity Shares of Rs. 10/- each	5,06,47,000
Total	5,06,47,000

Particulars of Hira Steels Limited (HSL)

10. Hira Steels Limited (HSL) the Applicant/Transferee Company was incorporated as a Public Limited Company under the Companies Act, 1956, on 16th August, 1994 in the name of Hira Ispat Limited in the State of Chhattisgarh. The name of the Company has been changed to its present name i.e. Hira Steels Limited and obtained a fresh Certificate of Incorporation dated 05th June, 1995 consequent on change of name from the Registrar of Companies, Madhya Pradesh & Chhattisgarh. The CIN of the Company is U27104CT1994PLC008555. There has been no further change in the name of HSL in the last five (5) years. The Permanent Account Number of HSL is AAACH6166R. The equity shares of HSL are not listed on any stock exchanges.
11. The Registered Office of HSL is situated at 720/1 Rawabhata, Industrial Area Raipur, Chhattisgarh, 492001. There has been no change in the registered office address of HSL in the last five (5) years. The e-mail address of HSL is co.secretary@hiragroup.com.
12. The objects for which HSL has been established are set out in its Memorandum of Association. The main objects of HSL are as follows:



- To Produce, Manufacture, Process, Refine, Import, Export, Purchase, Sell & generally to deal in, and to act as Agents, Stockists, Distributors and Suppliers of Iron Steel. (Whether mild Steel, alloy, stainless or special Steel, cast iron, pig iron or any kind of ferrous/non-ferrous metal), Steel products such as shutters, shutters profiles, flats angles, rounds, squares, hexagons, octagons, rails, joists, channels, Hot & Cold-steel strips, sheets, plates, industrial fastners, deformed bars, plain & cold twisted bars, bright bars, shaftings, light structurals, window, section agricultural implements blacks galvanized pipes, corrugated sheet, lift rails and things compounds and preparations connected with the aforesaid products and in connection herewith to take on lease or acquire, erect, construct, establish, work operate and maintain factories quarries, mines, workshops and other works.
- To manufacture, produce, assemble, process, take on lease and otherwise deal or traffic steel, alloy steel, cast iron, alloyed cast iron, steel forgings, sponge iron, alloyed cast pig iron, hardware brass, copper, lead, zinc, iron, and aluminium materials and its scrap or by products and to carry on business as Re-rolling mill, rolling mill, extrusion mill, foundry proprietors and mine owners and to buy, sell, extract, prepare for marker, manipulate, import and export all kinds of steel, cast iron, alloyed cast iron, sponge iron, iron scrap, pig iron, ferro alloys hardware, brass copper, lead, zinc, iron, and aluminium materials, circles and utensils.
- To carry on the trade or business of steel melters, fabricators, steel converters, furniture makers wire drawing, tin plate makers and items like strips, foils, tapes, wires, wire spring patta rods plates and any other sections, shapes or forms.
- To carry on in India and/or abroad the business to produce, generate, process, transform, formulate, buy, sell or in any way deal in, acquire, store, pack, transport, distribute, dispose off, utilize Electrical Energy, Thermal Energy, Wind Energy, Bio Energy, Solar Energy, Hydro Power, Bio Gas, Coal Gas, Natural Gas, Hydrogen Gas, Steam Water Gas, Methane Gas, Petroleum Gas, RLH Gas and fuel Gases of all or any other kind and to convert and/or to otherwise deal with or dispose off the generated by products, wastes, effluents, and emissions into saleable materials like coke, Ash, Bricks, Briquettes, Charcoal, Cinders, Tar, Carbolic Acids, Gypsum and other chemicals or distilled products.
- To carry on in India or anywhere in the world the business to produce, commercialize, extract, mine, exploit, develop, distribute, derive, discover, excavate, dig, blast, grade, handle, manipulate, operate, organize, prepare, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, mine owner, quarry owner, loader, unloader, transporter, collaborator, job worker, or otherwise to deal in all types of minerals, their concentrates, compounds, products, by-products, derivatives, mixtures, ingredients & residues, available on the planet of the earth, i.e. on land, water or otherwise including iron ore, dolomites, coal, lime, bauxite ore, copper ore, mica, thorium ore, rare earth ore, columbite, monazite, sumerskite, uraniferous, alienate, chrome ore, low silica, alumina, manganese ore, lead, zinc, tin, beryllium, magnesium, nickel, tungsten ore, molybdenum, lignite, bentonite, gypsum, stones and other allied goods, present or future.
- To carry on in India or elsewhere the business of contractors, builders, developers and real estate by undertaking construction job of various nature like highways, streets, parks, bridges, canals, dams, tunnels, houses, apartments, duplexes, roads, railways, waterways, gaslines, docks, ports, jetties, gardens, residential and shopping complexes, colonies, schools, colleges, hostels, hospitals, hotels, airports, towers, godowns, warehouses, places of worship, community places, public places and other structures, development, utilities and to develop, construct, run, repair, maintain, decorate, improve, remodel, build, operate and manage of any of the above constructions for any Central Government, State Government, Union Territories and its departments like Railways, Aviation, Defence Force, PWD, Municipal Corporation, Development Authorities, Housing Board, Cantonments, Local Authorities, Gram



- Panchayats, Autonomous Bodies and other Government Departments and also private parties and also on behalf of the Company itself and for this purpose to purchase, acquire land, structures and to turn the same in marketable form and to dispose them off in any manner.

There has been no change in the object clause of HSL in the last 5 years.

13. HSL is mainly engaged in the manufacturing of M.S. Bars (Round) in Coil, H. B. Wires and TMT Bars having Integrated Steel Plant.

14. The Authorized, Issued, Subscribed and Paid Up Share Capital of the Transferee Company as per the Latest Audited Financial Statement as at 31st March, 2022 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
1,17,50,000 Equity Shares of Rs. 10/- each	11,75,00,000
1,44,00,000 Preference Shares of Rs. 10/-each	14,40,00,000
Total	26,15,00,000
Issued, Subscribed and Paid Up Capital	
1,12,65,950 Equity Shares of Rs. 10/- each	11,26,59,500
19,50,000 0.01% Non-Cumulative Non Participating Optionally Convertible Redeemable Preference Shares (Preference Share)	1,95,00,000
Amount as shown in the audited Financial Statement for the year ended 31st March, 2022	13,21,59,500

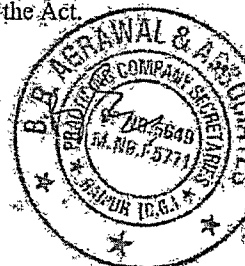
That subsequent to 31st March, 2022, HSL/ Transferee Company has bought-back 26,57,600 equity shares. Pursuant upon the buy-back the present Authorized, Issued, Subscribed and Paid Up Share Capital of HSL/ Transferee Company as on 31st July, 2022 is as follow:-

Share Capital	Amount in Rs.
Authorised Share Capital	
1,17,50,000 Equity Shares of Rs. 10/- each	11,75,00,000
1,44,00,000 Preference Shares of Rs. 10/-each	14,40,00,000
Total	26,15,00,000
Issued, Subscribed and Paid Up Capital	
86,08,350 Equity Shares of Rs. 10/- each	8,60,83,500
19,50,000 0.01% Non-Cumulative Non Participating Optionally Convertible Redeemable Preference Shares	1,95,00,000
Total	10,55,83,500

Description and Objective of the Scheme

15. The Scheme provides for, inter alia,

- I. The amalgamation of the Transferor Company with the Transferee Company.
- II. Various other matters consequential to or otherwise integrally connected with the above.
- III. The proposal is to be implemented in terms of the Scheme under Sections 230 - 232 of the Act.



16. The objective is stated in Clause B of the Scheme and is as under:

The amalgamation of the Transferor Company with the Transferee Company would *inter alia* have the following benefits:

- a. With the complete integration of the Transferor Company into and with the Transferee Company, the Transferee Company will take over the entire business of the Transferor Company, ensuring a streamlined group structure by reducing the number of legal entities in the group
- b. The consolidation of operations of the Transferor Company into and with the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies.
- c. The amalgamation will result in the formation of a stronger company with a larger capital and asset base and enable the combined business to be pursued more conveniently and advantageously. The amalgamation will have beneficial results for the amalgamating companies, their stakeholders and all concerned.
- d. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value, and will improve the competitive position of the Transferee Company.
- e. Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- f. Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.

Major Developments / Actions post announcement of the Scheme

17. There are no major developments / actions have taken place since announcement of the scheme.

Corporate Approvals

18. The proposed Scheme was placed before the Board of Director of HSL at its meeting held on 15th day of September, 2022 on a recommendation made by Audit Committee in its meeting held on 15th day of September, 2022. The Board of Director took into account the Valuation Report, dated 15th September, 2022, issued by Mr. Harminder Singh Dutta, Registered Valuer, Raipur ("Valuation Report"). A copy of the Valuation Report is enclosed as Annexure 1. The Valuation Report is also open for inspection at the website of the company at <https://www.hiragroup.com/>.
19. The Scheme along with the Valuation Report was placed before the Audit Committee and Board of Directors of HSL, in their respective meetings held on 15th September, 2022. The report of the Audit Committee was also submitted to the Board of Directors of HSL. Based on the aforesaid, the Board of Directors has approved the Scheme. The meeting of the Board of Directors of HSL, held on 15th September, 2022, was attended by 5 (Five) directors (namely Shri Amit Agrawal, Shri Arun Poddar, Shri Niket Khandelwal, Shri Rajesh Kumar and Smt. Shruti Avinash Bajaj). Shri Amit Agrawal, being the relative of the Promoter, abstained from voting on the resolution in respect of the Scheme. None of the directors of HSL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors of HSL who attended and voted at the meeting.



20. The Scheme along with the Valuation Report was placed before the Board of Directors of JPAL, at its meeting held on 15th September, 2022. Based on the aforesaid, the Board of Directors of JPAL have approved the Scheme. The meeting of the Board of Directors of JPAL, held on 15th September, 2022, was attended by 3 (Three) directors (namely Shri Alok Agrawal, Shri Niket Khandelwal and Shri Arun Poddar) and Shri Alok Agrawal, being a Promoter, abstained from voting on the resolution in respect of the Scheme. None of the directors of JPAL who attended the meeting voted against the Scheme. Thus, the Scheme was approved unanimously by the directors of JPAL who attended and voted at the meeting.

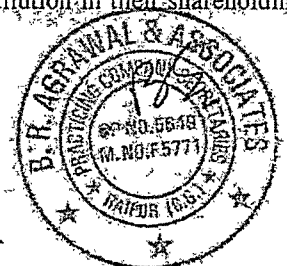
Approvals and actions taken in relation to the Scheme

21. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.
22. The Joint Company Application along with the annexure thereto (which includes the Scheme) was filed on 13th October, 2022 with the NCLT.
23. This notice convening Meeting of the Secured and Unsecured Creditors of the Transferee Company along with aforesaid documents are placed on the website of the Company viz <https://www.hiragroup.com/>.
24. The salient extracts of the Scheme:-
Appointed Date as per the Scheme is 01st August, 2022.
Other details are provided in the Scheme of Amalgamation which is enclosed as Annexure 2.

Note: You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof.

Other matters

25. Summary of the Valuation Report including the basis of valuation is enclosed as Annexure 3.
26. The accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. The certificates issued by the respective Statutory Auditors of the Applicant Companies are open for inspection at the website of the company at <https://www.hiragroup.com/>.
27. Upon the effectiveness of the Scheme, HSL shall issue and allot the equity shares of HSL to the equity shareholders of JPAL, based on the Share Exchange Ratio i.e. HSL will issue and allot, to every equity shareholder of JPAL, holding fully paid-up equity shares in the JPAL and whose names appear in the register of members of the JPAL on the Record Date to be announced by the Board of the Company, 2 (Two) Equity Shares of the HSL, credited as fully paid-up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") for every 1 (One) Equity Shares of Rs.10 each fully paid-up, held by such shareholder in the capital of the JPAL ("Share Exchange Ratio").
28. Upon the effectiveness of the Scheme 19,50,000 (Nineteen Lacs Fifty Thousand) Non-Cumulative Non-Participating Optionally Convertible & Redeemable Preference Shares of Transferee Company held by Transferor Company shall be cancelled without any further act or deed. Accordingly, the Share Capital of the Transferee Company shall stand reduced to the extent of face value of Non-Cumulative Non-Participating Optionally Convertible & Redeemable Preference Shares held by the Transferor Company as on effective date.
29. As far as the Equity shareholders of HSL are concerned the promoter shareholding will reduce and the shareholding of the Non Promoter shareholders will increase, there will be no dilution in their shareholding of the Shareholders of HSL.



Upon the effectiveness of the Scheme, HSL shall issue and allot equity shares to the shareholders of JPAL, based on the Share Exchange Ratio.

In respect of the Scheme, there is no arrangement with the creditors, either secured or unsecured of HSL or JPAL. No compromise is offered under the Scheme to any of the creditors of JPAL or HSL as no sacrifice is called for.

As on date, HSL has no outstanding towards any public deposits and therefore, the effect of the Scheme on any such public deposit holders does not arise. As on date, HSL has not issued any debentures. In the circumstances, the effect of the Scheme on the debenture trustee does not arise.

Under the Scheme, no rights of the Employees of the HSL are being affected. The services of the Employees under the Scheme, shall continue on the same terms and conditions on which they were engaged by HSL.

There is no effect of the Scheme on the key managerial personnel and/or the Directors of HSL.

Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of HSL and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of the equity shares held by them in JPAL and/or to the extent that the said Director(s) are common director(s) of the Companies and/or to the extent the said Director(s) are holding shares in JPAL to the extent that the said Director(s), Key Managerial Personnel and their respective relatives are the directors, members of the companies that hold shares in the respective Companies. The Scheme is having same material interest on the Directors and Key Managerial Personnel as it has the effect or interest on other shareholders of the HSL and/or JPAL. There is no shareholding of the Company Secretary and Chief financial Officer of the HSL and their respective relatives in the paid-up share capital of each of the Companies.

30. Under the Scheme, an arrangement is sought to be entered into between JPAL and its Equity Shareholders. As far as the Equity shareholders of JPAL are concerned HSL will Issue and allot equity shares of HSL to the equity shareholders of JPAL, based on the Share Exchange Ratio.

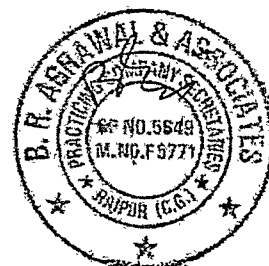
In respect of the Scheme, there is no arrangement with the creditors, either secured or unsecured of JPAL. No compromise is offered under the Scheme to any of the creditors and the liability of the creditors of JPAL as no sacrifice is called for. There is no effect on any of the creditors including debentures and debenture trustees.

Under Clause 8.00 of the Scheme, on and from the Effective Date, HSL undertakes to engage the Employees of JPAL, on the same terms and conditions on which they are engaged by JPAL without any interruption of service and in the manner provided under Clause 8.1.1 of the Scheme. In the circumstances, the rights of the Employees of JPAL, engaged in, would in no way be affected by the Scheme.

Upon the effectiveness of the Scheme the Board of Directors of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

Further, none of the Directors, the Key Managerial Personnel (as defined under the Act and rules framed thereunder) of JPAL and their respective relatives (as defined under the Act and rules framed thereunder) have any interest financial or otherwise in the Scheme except to the extent of the equity shares held by them in HSL and/or to the extent that the said Director(s) are common director(s) of the Companies and/or to the extent the said Director(s) are holding shares in JPAL. The Scheme is having same material interest on the Directors and Key Managerial Personnel as it has the effect or interest on other shareholders of the HSL and/or JPAL.

31. The Scheme does not involve any capital or debt restructuring and therefore the requirement to disclose details of capital or debt restructuring is not applicable.



32. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of HSL and JPAL have in their separate meetings held on 15th September, 2022, have adopted a report, inter alia, explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders amongst others. Copy of the Reports adopted by the respective Board of Directors of HSL and JPAL are enclosed as Annexure 4 and Annexure 5 respectively.
33. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 and/or 2013 against any of the Companies.
34. To the knowledge of the Companies, no winding up proceedings have been filed or are pending against them under the Act or the corresponding provisions of the Act of 1956 and/or 2013.
35. The copy of the proposed Scheme has been filed by the HSL and JPAL before the concerned Registrar of Companies in form GNL-1 along with challan dated 28.11.2022 with SRN No F49334428 and SRN No. F49335797 respectively evidencing filing of the Scheme enclosed as Annexure 6 and Annexure 7.
36. The Audited Financial Statement of HSL for the period ended 31st March, 2022 and Un-audited Interim Financial Statement as at 31st July, 2022 of HSL are enclosed as Annexure 8 and Annexure 9, respectively.
37. The Audited Financial Statement of JPAL for the period ended 31st March, 2022 and Un-audited Interim Financial Statement as at 31st July, 2022 of JPAL are enclosed as Annexure 10 and Annexure 11, respectively.
38. As per the books of accounts of HSL and JPAL, the amount due to the Secured Creditors and Unsecured Creditors as on 31st July, 2022 is Rs. 47,41,38,131 and Rs. 6,17,679 respectively and that of the unsecured creditors is Rs. 34,76,19,876 and Rs. 38,03,43,694 respectively and provisions and Statutory dues payable is Rs. 5,04,88,182 and Rs. 12,56,71,915 respectively.
39. The name and addresses of the Promoters of HSL including their shareholding in the Companies as on the date of the order of the Hon'ble Tribunal i.e. 28th November, 2022 are as under:

Sr. No.	Name and address of Promoters and Promoter Group	JPAL		HSL	
		No. of Shares of Rs.10/- each	%	No. of Shares of Rs.10/- each	%
PROMOTERS					
1.	Smt. Sita Devi Agrawal W/o Shri Jagdish Prasad Agrawal Sushila, 5 Park Avenue Choubey Colony, Raipur (C.G.)	100	0.00	10,00,000	11.62
	TOTAL	100	0.00	10,00,000	11.62

40. The name and addresses of the Promoters of JPAL including their shareholding in the Companies as on the date of the order of the Hon'ble Tribunal i.e. 28th November, 2022 are as under:

Sr.No.	Name and address of Promoters and Promoter Group	JPAL		HSL	
		No. of Shares of Rs.10/- each	%	No. of Shares of Rs. 10/- each	%
PROMOTERS					
1.	Shri Alok Agrawal Sushila, 5 Park Avenue,	23,33,000	46.06	8,10,000	9.40



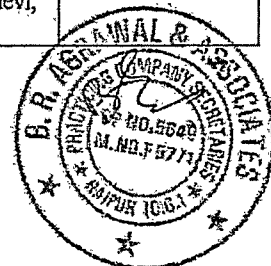
	Choubey Colony, Raipur (C.G.)				
2.	Shri Amit Agrawal Sushila, 5 Park Avenue, Choubey Colony, Raipur (C.G.)	17,91,300	35.37	11,22,400	13.04
3.	Smt Nisha Agrawal Sushila, 5 Park Avenue, Choubey Colony, Raipur (C.G.)	100	0.00	0	0.00
4.	Smt Richa Agrawal Sushila, 5 Park Avenue, Choubey Colony, Raipur (C.G.)	100	0.00	0	0.00
5.	Amit Agrawal (HUF) Sushila, 5 Park Avenue, Choubey Colony, Raipur (C.G.)	100	0.00	0	0.00
6.	Sagar Energy and Steels Private Limited E-14, First Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur (C.G.) 492001	9,40,000	18.56	0	0.00
7.	Smt. Sita Devi Agrawal W/o Shri Jagdish Prasad Agrawal Sushila, 5 Park Avenue Choubey Colony, Raipur (C.G.)	100	0.00	10,00,000	11.62
	Total	50,64,700	100.00	29,32,400	34.06

41. The details of the Directors of HSL as on 28th November, 2022 are as follows:

Sr. No.	Name of Director	Address	DIN
1	Shri Amit Agrawal	5 Park Street Choubey Colony, Ravi Shankar University, Raipur (C.G.) 492001	01075859
2	Shri Arun Poddar	B-402, Sapphire Greens, Amaseoni Raipur 492001 (C.G.) 492001	02992106
3	Shri Niket Khandelwal	A 403 Natura Apartment Daldal Seoni Road Raipur (C.G.) 492001	06361486
4.	Shri Rajesh Kumar	House No. 16, Avani Pride, Daldal Seoni Road Mowa, Daldal Seoni, Raipur, (C.G.) 492001	06599329
5.	Smt. Shruti Avinash Bajaj	Bajaj Nagar, Lal Bahadur Shastri Ward, Fulchur Road, Gondia, Maharashtra, 441601	08668576

42. The details of the Directors of JPAL as on 28th November, 2022 are as follows:

Sr. No.	Name of Director	Address	DIN
1	Shri Alok Agrawal	Flat No. 1002, Rameshwararam CHS Anant Patil Marg, Near Kirti College, Prabhadevi, Mumbai (M.H.) 400 028	00494805



2	Shri Arun Poddar	B-402, Sapphire Greens, Amaseoni Raipur 492001 (C.G.) 492001	02992106
3	Shri Niket Khandelwal	A 403 Natura Apartment Daldal Seoni Road Raipur (C.G.) 492001	06361486

43. The details of the shareholding of the Directors and the Key Managerial Personnel of HSL in HSL and JPAL as on 28th November, 2022 are as follows:

S.No	Name of Director and KMP	Position	Equity Shares held in HSL	Equity shares in JPAL
1.	Shri Amit Agrawal	Whole Time Director	11,22,400	17,91,300
2.	Shri Arun Poddar	Director	0	0
3.	Shri Niket Khandelwal	Director	0	0
4.	Shri Rajesh Kumar	Director	0	0
5.	Smt. Shruti Avinash Bajaj	Director	0	0
6.	Smt. Sonam Agrawal	Company Secretary	0	0
7.	Shri Rajesh Rajimwale	Chief Financial Officer	0	0

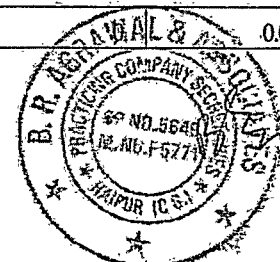
44. The details of the shareholding of the Directors and the Key Managerial Personnel of JPAL in JPAL and HSL as on 28th November, 2022 are as follows:

S.No	Name of Director and KMP	Position	Equity Shares held in JPAL	Equity Shares held in HSL
1.	Shri Alok Agrawal	Managing Director	23,33,000	8,10,000
2.	Shri Arun Poddar	Director	0	0
3.	Shri Niket Khandelwal	Director	0	0
4.	Ms. Shiweta Sharma	Company Secretary	0	0
5.	Shri M Chandra Mohan Rao	Chief Financial Officer	0	0

45. The Pre & Post Arrangement shareholding pattern of HSL as on 31st July, 2022 and the Pre and Post Arrangement (expected) shareholding pattern of JPAL as on 31st July, 2022 are as under:

- a. Pre and post Arrangement (expected) shareholding pattern of HSL as on 31st July, 2022:

Sr. NO	Category	Pre-Arrangement		Post-Arrangement	
		No. of fully paid up equity shares held	Shareholding as a % of total no. of shares	No. of fully paid up equity shares to be held	Shareholding as a % of total no. of shares
(A)	Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/Hindu Undivided Family	10,00,000	11.62	10,00,200	5.34
(b)	Body Corporate	0	0.00	0	0.00
(c)	Trust	0	0	0	0.00
	Sub-Total (A)(1)	10,00,000	11.62	10,00,200	5.34
(2)	Foreign				
(a)	Body Corporate (through GDRs)	0	0	0	0.00

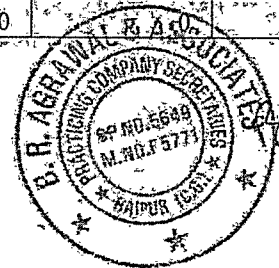


	Sub-Total (A)(2)	0	0	0	0.00
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	10,00,000	11.62	10,00,200	534
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds	0	0.00	0	0.00
(b)	Foreign Portfolio Investors	0	0.00	0	0.00
(c)	Financial Institutions/Banks	0	0.00	0	0.00
(d)	Insurance Companies	0	0.00	0	0.00
(e)	Foreign Institutional Investors (FIIs)	0	0.00	0	0.00
	Sub Total (B) (1)	0	0.00	0	0.00
(2)	Central Government/State Government(s)/ President of India	0	0.00	0	0.00
	Sub Total (B)(2)	0	0.00	0	0.00
(3)					
(a)	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	0	0.00	0	0.00
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	53,44,350	62.08	1,35,93,350	72.55
(b)	NBFCs Registered with RBI	0	0.00	0	0.00
(c)	Overseas Depositories (Holding GDRs)	0	0.00	0	0.00
(d)	Any Other				
	Trusts	0	0.00	0	0.00
	Hindu Undivided Family	6,14,000	7.13	6,14,200	3.28
	Overseas Corporate Bodies	0	0.00	0	0.00
	Non Resident Indians (Repatriation)	0	0.00	0	0.00
	Clearing Members	0	0.00	0	0.00
	Non Residents Indians (Non-Repatriation)	0	0.00	0	0.00
	Bodies Corporate	16,50,000	19.17	3,530,000	18.84
	Non Residents Indians	0	0	0	0.00
	Other Director	0	0	0	0.00
	Sub Total (B)(3)	76,08,350	88.38	1,77,37,550	18.84
	Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)	7,608,350	88.38	1,77,37,550	18.84
	Total Shareholding (A+B)	8,608,350	100.00	1,87,37,750	100.00



b. Pre & Post Arrangement shareholding pattern of IPAL as on 31st July, 2022:

Sr. NO	Category	Pre-Arrangement		Post-Arrangement	
		No. of fully paid up equity shares held	Shareholding as a % of total no. of shares	No. of fully paid up equity shares to be held	Shareholding as a % of total no. of shares
(A)	Promoter and Promoter Group				
(1)	Indian				
(a)	Individuals/Hindu Undivided Family	41,24,700	81.44	0	0.00
(b)	Body Corporate	9,40,000	18.56	0	0.00
(c)	Trust	0	0	0	0.00
	Sub-Total (A)(1)	50,64,700	100.00	0	0.00
(2)	Foreign				
(a)	Body Corporate (through GDRs)	0	0	0	0.00
	Sub-Total (A)(2)	0	0	0	0.00
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	50,64,700	100.00	0	0.00
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds	0	0.00	0	0.00
(b)	Foreign Portfolio Investors	0	0.00	0	0.00
(c)	Financial Institutions/Banks	0	0.00	0	0.00
(d)	Insurance Companies	0	0.00	0	0.00
(e)	Foreign Institutional Investors (FIIs)	0	0.00	0	0.00
	Sub Total (B) (1)	0	0.00	0	0.00
(2)	Central Government/State Government(s)/ President of India				
	Sub Total (B)(2)	0	0.00	0	0.00
(3)	Individuals				
(a)	i. Individual shareholders holding nominal share capital upto Rs.2 lakhs	0	0.00	0	0.00
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	0	0.00	0	0.00
(b)	NBFCs Registered with RBI	0	0.00	0	0.00
(c)	Overseas Depositories (Holding GDRs)	0	0.00	0	0.00
(d)	Any Other				
	Trusts	0	0.00	0	0.00
	Hindu Undivided Family	0	0.00	0	0.00
	Overseas Corporate Bodies	0	0.00	0	0.00
	Non Resident Indians (Repatriation)	0	0.00	0	0.00
	Clearing Members	0	0.00	0	0.00
	Non Residents Indians (Non-Repatriation)	0	0.00	0	0.00
	Bodies Corporate	0	0.00	0	0.00



Non Residents Indians	0	0	0	0.00
Other Director	0	0	0	0.00
Sub Total (B)(3)	0	0.00	0	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2) + (B)(3)	0	0.00	0	0.00
Total Shareholding (A+B)	50,64,700	100.00	0	0.00

46. The pre and Post-Arrangement (expected) capital structure of HSL will be as follows (assuming the continuing capital Structure as on 28th November, 2022 being date of the Order):

PRE ARRANGEMENT

Share Capital	Amount in Rs.
Authorised Share Capital	
1,17,50,000 Equity Shares of Rs. 10/- each	11,75,00,000
1,44,00,000 Preference Shares of Rs. 10/-each	14,40,00,000
Total	26,15,00,000
Issued, Subscribed and Paid Up Capital	
86,08,350 Equity Shares of Rs. 10/- each	8,60,83,500
19,50,000 0.01% Non- Cumulative Non Participating Optionally Convertible Redeemable Preference Shares	1,95,00,000
Total	10,55,83,500

[*Note: the 19,50,000 (Nineteen Lacs Fifty Thousand) Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of Transferee Company held by Transferor Company, will be cancelled without any act, deeds or instrument.

POST ARRANGEMENT (EXPECTED)

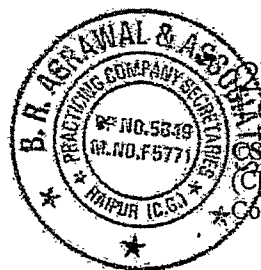
	Amount (Rupees)
Authorised Share Capital	
2,17,50,000 Equity Shares of Rs.10/- each	21,75,00,000
1,44,00,000 Preference Shares of Rs.10/- each	14,40,00,000
Total	36,15,00,000
Issued, Subscribed and Paid Up Capital	
1,87,37,750 Equity Shares of Rs.10/- each*	18,73,77,500
Total	18,73,77,500

47. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.
48. The following documents will be open for inspection by the Secured and Unsecured Creditors of the Transferee Company at its Registered Office at 720/1 Rawabhata, Industrial Area Raipur (C.G.) 492001 between 10.00 a.m. and 12.00 noon on all days (except Saturdays, Sundays and public holidays) up to the date of the meeting and are also available at the website of the company :<https://www.hiragroup.com//> :
- i. Copy of the final order passed by NCLT Cuttack Bench in the Company Scheme Application COMPANY APPLICATION (CAA) NO.8/CB/2022 dated 28th November, 2022 directing HSL to, inter alia, convene the meeting of its secured creditors and Unsecured Creditors;



- ii. Copy of the Company Scheme Application COMPANY APPLICATION (CAA) NO.8/CB/2022 along with annexure filed by HSL & JPAL before NCLT Cuttack Bench;
 - iii. Copy of the Memorandum and Articles of Association of HSL and JPAL respectively;
 - iv. Copy of the Financial Statement of HSL and JPAL for the financial years ended 31st March 2022;
 - v. Copy of the Unaudited Interim Financial Statement of HSL and JPAL as at 31st July 2022;
 - vi. Copy of the Register of Directors' shareholding of each of the Companies;
 - vii. Copy of Valuation report dated 15th September, 2022 submitted by Mr. Harinder Singh Dutta, Registered Valuer, Raipur;
 - viii. Copies of the resolutions, both dated 15th September, 2022, passed by the respective Board of Directors of HSL and JPAL approving the Scheme;
 - ix. Copy of the Statutory Auditors' certificate on accounting treatment dated 15th September, 2022 issued by M/s JDS & Co., Chartered Accountants to HSL.
 - x. Copy of the Statutory Auditors' certificate on Accounting Treatment dated 15th September, 2022 issued by M/s JDS & Co., Chartered Accountants to JPAL
 - xi. Summary of the Valuation Report including the basis of valuation;
 - xii. Copy of Form No. GNL-1 filed by HSL and JPAL with the concerned Registrar of Companies along with challan dated 28.11.2022 with SRN No F49334428 and SRN No. F49335797 respectively evidencing filing of the Scheme;
 - xiii. Copy of the certificate, dated 15th September, 2022, issued by M/s JDS & Co., Chartered Accountants, certifying the amount due to the secured and unsecured creditors of HSL as on 31.07.2022.
 - xiv. Copy of the certificate, dated 15th September, 2022, issued by JDS & Co., Chartered Accountants, certifying the amount due to the secured and unsecured creditors of JPAL as on 31.07.2022
 - xv. Copy of the Scheme; and Copy of the Reports dated 15th September, 2022 adopted by the Board of Directors of HSL and JPAL respectively, pursuant to the provisions of section 232(2)(c) of the Act.
49. This statement may be treated as an Explanatory Statement under Sections 230(3), 232(1) and (2) and 102 of the Act read with Rule 6 of the Rules.
50. After the Scheme is approved, by the Secured Creditors and Unsecured Creditors of HSL it will be subject to the approval/sanction by NCLT.

Dated this day of 28th November, 2022
 Registered office:
 720/1 Rawabhata, Industrial Area,
 Raipur, Chhattisgarh, 492001



Brajesh R. Agrawal
 CS, Brajesh R. Agrawal
 (Chairman appointed for the aforesaid NCLT
 Convened Meeting)



HIRA STEELS LIMITED

Regd. Office: 720/1 Rawabhata, Industrial Area Raipur, Chhattisgarh, 492001
Corporate Office : G-16, Hira Arcade, Near New Bus Stand Pandri Raipur, C.G., 492001
Web Site: <https://www.hiragroup.com/>, Email Id: co.secretary@hiragroup.com
CIN: U27104CT1994PLC008555, Contact No.: 0771-4082688 Fax: 0771-4082693

JOINT NOTICE FOR THE MEETING OF THE SECURED CREDITORS

AND UNSECURED CREDITORS

OF

HIRA STEELS LIMITED

**SECURED CREDITORS/UNSECURED CREDITORS
FORM OF PROXY**

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
CUTTACK BENCH, CUTTACK
(ORIGINAL JURISDICTION)**

COMPANY APPLICATION (CAA) NO.8/CB/2022

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

In the matter of application under Section 230(1) [read with Section 232(1)]
of the Companies Act, 2013 and other applicable provisions of the
Companies Act, 2013

AND

In the matter of Scheme of Amalgamation of Jagdamba Power and Alloys
Limited ('the Transferor Company') into and with Hira Steels Limited ('the
Transferee Company')

Hira Steels Limited, company incorporated under the
Companies Act, 1956, having its registered office 720/1
Rawabhata, Industrial Area, Raipur, Chhattisgarh

.... APPLICANT/ TRANSFEE COMPANY

(As per Form MGT -11 and Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the
Companies(Management and Administration) Rules, 2014)

Name of the Secured Creditors (s)/Unsecured Creditors (s)	
Registered Address	
Email Id	

I/We, being the Secured Creditors (s)/Unsecured Creditors (s) of Hira Steels Limited

1. Name.....
Address.....
E-Mail ID.....Signature or failing him
2. Name.....
Address.....
E-Mail ID.....Signature or failing him
3. Name.....
Address.....
E-Mail ID.....Signature or failing him

as my/our proxy to act for me/us at the meeting of the NCLT Convened Meeting of the applicant company convened pursuant to the Order dated 28th day of November, 2022 (the "Order"), the Hon'ble National Company Law Tribunal, Bench at Cuttack ("NCLT") will be held on Friday, 30th day of December, 2022 at 11:30 A.M. (IST) at Hira Group Conference Room, 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001 for the purpose of considering and, if though fit, approving with or without modification(s), the arrangement embodied in the Scheme of Amalgamation of Jagdamba Power and Alloys Limited ('the Transferor Company') with Hira Steels Limited ('the Transferee Company') and their respective Shareholders and Creditors ("Scheme") and at such meeting and at any adjournment or adjournments thereof to vote, for me/us and in my /our name(s) -----
----- (here, if, for, insert 'FOR', if against, insert 'AGAINST' and in the later case, strike out the words below after 'the Scheme') the said arrangement embodied in the Scheme, either with or without modification (s) *as my / our proxy may approve. (*strike out whatever is not applicable)

Signed this ----- day of ----- 2022

Signature of Secured Creditors (s) /Unsecured Creditors (s) -----

Signature of Proxy Holder (s) -----

Affix Revenue stamp of

Re.1/-

(signature across the stamp)

Notes:

1. This form of proxy must be deposited at the Registered office of the company at 720/1 Rawabhata, Industrial Area Raipur, Chhattisgarh, 492001 India at least 48 hours before the commencement of this said Meeting.
2. All alterations made in the form of proxy should be initialed.
3. Please affix appropriate revenue stamp before putting signature
4. Corporate Secured Creditors and Corporate Unsecured Creditors intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
5. In case of multiple proxies, the proxy later in time shall be accepted.
6. A proxy need not be a Secured Creditors or Unsecured Creditors of Hira Steels Limited.
7. No person shall be appointed as a proxy who is a minor.



HIRA STEELS LIMITED

Regd. Office: 720/1 Rawabhata, Industrial Area Raipur, Chhattisgarh, 492001
Corporate Office : G-16, Hira Arcade, Near New Bus Stand Pandri Raipur, C.G., 492001
Web Site: <https://www.hiragroup.com/>, Email Id: co.secretary@hiragroup.com
CIN: U27104CT1994PLC008555, Contact No.: 0771-4082688 Fax: 0771-4082693

SECURED CREDITORS/UNSECURED CREDITORS ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL

MEETING OF THE SECURED CREDITORS AND UNSECURED CREDITORS ON FRIDAY THE 30th DAY OF DECEMBER, 2022 AT 11:30 A.M. (IST)

I/We hereby record my/ our presence at the NCLT Convened Meeting of the Secured Creditors and Unsecured Creditors of Hira Steels Limited, the Transferee Company, convened pursuant to the Order dated 28th day of November, 2022 (the "Order"), the Hon'ble National Company Law Tribunal, Bench at Cuttack ("NCLT") will be held on Friday, 30th day of December, 2022 at 11:30 A.M. (IST) at Hira Group Conference Room, 2nd Floor, Hira Arcade, Near New Bus Stand, Pandri, Raipur, Chhattisgarh-492001.

Name and address of Secured Creditors/Unsecured Creditors

(IN BLOCK LETTER) : _____

Signature : _____

Value of debt outstanding as
on date of meeting : _____

Name of the Proxy/*
Authorized Representative : _____

(IN BLOCK LETTERS) : _____

Signature : _____

*(To be filled in by the proxy in case he /she attends instead of the Secured Creditors/Unsecured Creditors)

Notes:-

1. Only Secured Creditors and Unsecured Creditors would be allowed to attend the meeting. No Minors would be allowed at the meeting.
2. The Secured Creditors, Unsecured Creditors, Proxy Holder or the Authorized Representative attending the meeting must bring this attendance slip to the meeting and hand over at the entrance duly signed for admission to the meeting hall.
3. The Secured Creditors, Unsecured Creditors Proxy Holder or the Authorized Representative are requested to bring their copy of notice of reference at the Meeting.
4. The authorised representative of a body corporate which is a Secured Creditors or Unsecured Creditors of the Company must bring a certified true copy of the Resolution of the board meeting authorizing such representative to attend and vote at the said meeting.

ROUTE MAP FOR THE VENUE OF THE MEETING



HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

Date: 15.09.2022

To,
The Shareholders
Hira Steels Limited
720/1 Rawabhata, Industrial Area
Raipur

Dear Sir,

**Sub:- Determining Exchange Ratio for Merger of Jagdamba Power & Alloys Limited
(JPAL) with Hira Steels Limited(HSL)**

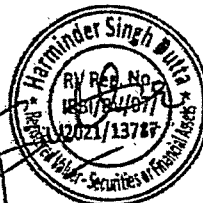
Pursuant to the appointment of Harminder Singh Dutta, (Registered Valuer under IBBI) by the Shareholders of M/s HIRA STEELS LIMITED (HSL) CIN U27104CT1994PLC008555, vide your appointment letter, 07.09.2022 and acceptance of my engagement letter dated 10.09.2022 for the purpose of determining the exchange ratio for Merger of JPAL with HSL, we enclose here with our Valuation Report.

The Exchange Ratio of common share JPAL with HSL, for the aforesaid purpose, as on 31st July 2022 is 1:2 (i.e. for every one share of JPAL the share holder will get two share of HSL) as determined in the Report enclosed herewith.

I appreciate the co-operation received by us from your executives during this assignment.

Thanking you,

Yours Faithfully,



HARMINDER SINGH DUTTA,
FCA, Registered Valuer (S&FA)
IBBI Reg. Valuer No. IBBI/RV/07/2021/13787
RVO M.NO- PVAI/VPO/THN/SFA/1003
UDIN:- 22431549AVKDMC3423
Place:- Raipur

HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)
REGISTERED VALUER

HIRA STEELS LIMITED**VALUATION OF SHARES****I. TERMS OF REFERENCE**

HIRA STEELS LIMITED ('HSL' or Company) is a public limited company incorporated under the Companies Act 1956.

The shareholder of M/s HIRA STEELS LIMITED (HSL) has appointment me to ascertain the Exchange Ratio on an independent basis in the capacity of registered valuer for merger of JPAL with HSL vide its appointment letter dated 15.09.2022 and acceptance of my engagement letter dated 22.09.2022.

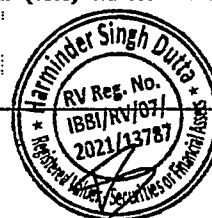
II. BACKGROUND OF HIRA STEELS LIMITED

Hira Steels Limited was originally incorporated under the Companies Act, 1956 on 16th August, 1994 under the name and style of "Hira Ispat Limited" having Certificate of Incorporation No. 10-08555 of 1994 and obtained Commencement of Business certificate on 14th August, 1994. The name of the Company was changed to its present name i.e. "Hira Steels Limited" on 5th June, 1995. HSL is mainly engaged in manufacturing of M.S. Bars (Round) in Coil, H.B. Wire and TMT Bars having its Registered Office - 720/1, Rawabhata Industrial Area, Raipur (C.G.)

The Capital Structure of HSL as per Provisional financials as at 31st July 2022 is as under:-

Authorized Capital	INR Rs.
11750000 Equity Shares of Rs. 10/- each	11,75,00,000
14400000 Preference Shares of Rs. 10/- each	14,40,00,000
TOTAL	26,15,00,000
Issued, subscribed and fully paid-up	
8608350 Equity Shares of Rs. 10/- each fully paid up	8,60,83,500
1950000 0.01% Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of Rs 10/- each	1,95,00,000
TOTAL	10,55,83,500

S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 98274-88885 |
Landline: 0771-4221303 | email: info@caharminder.com



HARMINDER SINGH DUTTA

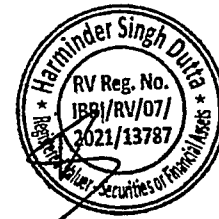
(FCA, ACS, M.COM)

REGISTERED VALUER

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Directors Details: The following are the Directors of the HSL:-

DIN/PAN	Name	Begin date
<u>01075859</u>	Amit Agrawal	28/07/2004
<u>02992106</u>	Arun Poddar	30/09/2020
<u>06361486</u>	Niket Khandelwal	02/09/2016
<u>06599329</u>	Rajesh Kumar	17/08/2019
<u>08668576</u>	Shruti Avinash Bajaj	12/03/2020



S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 98274-88885 |
Landline: 0771-4221303 | email: info@caharminder.com

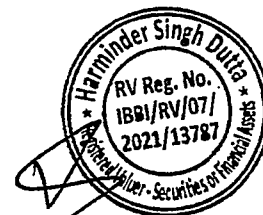
HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

PROVISIONAL FINANCIAL OF HSL AS AT 31st JULY 2022

Particulars	31.07.2022
	₹
EQUITY AND LIABILITIES	
<u>Shareholders' Funds</u>	
Share capital	10,55,83,500
Reserves and surplus	101,01,59,948
<u>Non-current liabilities</u>	
Long-term borrowings	32,48,93,656
Deferred Tax Liabilities	1,00,18,393
Long-term provisions	1,33,35,558
<u>Current liabilities</u>	
Short-term borrowings	29,93,21,523
Trade payables	
- Outstanding dues of creditors other than micro and small enterprises	14,58,79,053
Other current liabilities	7,34,74,776
Short-term provisions	1,53,41,623
TOTAL	199,80,08,030
ASSETS	
<u>Non-current assets</u>	
Property, plant and equipment	32,75,09,305
Intangible Assets	3,47,825
Capital work-in-progress	53,29,62,041
Non-current investments	1,32,37,500
Long-term loans and advances	1,42,13,944
Other non-current assets	2,91,00,344
<u>Current assets</u>	
Inventories	22,41,14,579
Trade receivables	24,67,13,827
Cash & bank balances	17,89,730
Short-term loans and advances	60,80,18,936
TOTAL	199,80,08,030



S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 98274-88886 |
Landline: 0771-4221303 | email: info@caharinder.com

HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)
REGISTERED VALUER

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III. JAGDAMBA POWER & ALLOYS LIMITED

Jagdamba Power & Alloys Limited ('JPAL' or Company) is a public limited company incorporated under the Companies Act 1956.

BACKGROUND OF JPAL

JPAL was originally incorporated under the Companies Act, 1956 on 16th September, 1999 CIN- U27104CT1999PLC013744 having its Registered Office - Hira Arcade, Pandri Raipur (C.G.)

The Capital Structure of JPAL as per Provisional financials as at 31st July 2022 is as under:-

Authorised	INR Rs.
10000000 Equity Shares of Rs. 10/- each	10,00,00,000
TOTAL	10,00,00,000
Issued, subscribed and fully paid-up	
5064700 Equity Shares of Rs. 10/- each fully paid up	5,06,47,000
TOTAL	5,06,47,000

Directors Details: The following are the Directors of the JPAL:-

DIN/PAN	Name	Begin date
00494805	Alok Agrawal	01/03/2004
02992106	Arun Poddar	01/07/2017
06361486	Niket Khandelwal	21/04/2016



S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 98274-88885 |
Landline: 0771-4221303 | email: info@caharminder.com

HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

PROVISIONAL FINANCIAL OF JPAL AS AT 31ST JULY 2022

Particulars	As at 31.07.2022
	₹
ASSETS	
(1) Non -current assets	
(a) Property, Plant and Equipment	35,02,712
(b) Capital work-in-progress	32,73,673
(c) Financial assets	
(i) Investments	28,17,45,900
(ii) Loans	1,16,03,57,011
(d) Deferred tax assets (net)	16,39,065
(e) Other non-current assets	20,50,699
	1,45,25,69,060
(2) Current-assets	
(a) Financial assets	
(i) Bank, Cash and cash equivalents	7,96,601
(b) Current tax assets(Net)	-
(c) Other current assets	2,20,11,800
(3) Assets Classified as Discontinued Operations	23,54,64,440
	25,82,72,841
Total Assets	1,71,08,41,901
EQUITY AND LIABILITIES	
Equity	
(a) Equity share capital	5,06,47,000
(b) Other equity	1,15,35,61,610
Liabilities	
(1) Non-current liabilities	
(a) Financial Liabilities	
- Borrowings	2,06,23,129
(b) Provisions	2,95,621
(2) Current liabilities	
(a) Financial Liabilities	
(i) Borrowings	6,17,679
(ii) Trade Payables	
- total outstanding dues of creditors other than micro enterprises and small enterprises	40,86,404
(iii) Other Financial Liabilities	49,53,675
(b) Other current liabilities	58,47,153
(c) Current tax liability	12,04,19,844
(3) Liabilities Classified as Discontinued Operations	34,97,89,786
Total Equity and Liabilities	1,71,08,41,901

S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 9977488885
Landline: 0771-4921303 | email: info@harmindersinghdutta.com



IV. ABOUT THE VALUER

The valuer **HARMINDER SINGH DUTTA** is a Practicing Chartered Accountant, and IBBI Registered Valuer under Securities or Financial Assets as per Companies Act, 2013, his area of specialisation includes Project Financing, Accounting, Audit & Assurance, Consulting, Legal, Taxation & Valuation. He leads the business advisory and valuation function, dealt with valuation requirements under regulatory, compliance, financial reporting, investments primarily for Indian corporate. His strengths are derived from a skilled and motivated team of Professionals and dedicated client support team with continuous training and development of the skills of the team, state of the art infrastructure, and timely deliverables to the satisfaction of the clients.



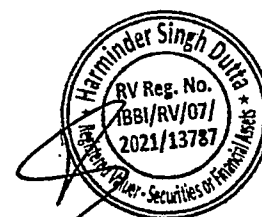
HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER**V. DISCLOSURE OF VALUER'S INTEREST/CONFLICTS**

The Valuer is independent in relation to the companies and,

- i. is a person of integrity and possesses relevant expertise and experience,
- ii. who is or was not a promoter of the company or its holding, subsidiary or associate company
- iii. who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- iv. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- v. None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors,
- vi. who, neither himself nor any of his relatives holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company
- vii. who, neither himself nor any of his relatives is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;



VI. SCOPE OF THE REPORT

Based on discussion with the Management, I understand that the Company's promoters are evaluating for determining the Exchange Ratio of equity shares for merger of JPAL with HSL under Section 234 and all other application provisions, if any, of the Companies Act, 2013.

In this context, the Management requires our assistance in determining the fair value of equity shares of the Company. Generally there are three valuation approaches available as enumerated in ICAI Valuation Standard 103, we have carried out this Valuation Analysis under NAV Method.



HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER**VII. INFORMATION RELIED UPON BY US**

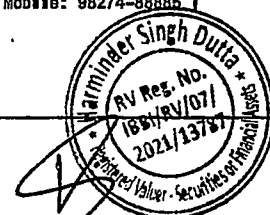
This report is prepared on the basis of following information obtained from the company or wherever applicable information available in the public domain:

A. NON-Financial Information

- a. nature, background, and history of the business;
- b. classes of equity ownership interests and rights attached thereto;
- c. products or services, or both;
- d. industry markets;
- e. legal status of the asset being valued.

B. Ownership Information to determine the type of ownership interest, classes of equity ownership interests and rights attached thereto etc.**C. Financial Information**

- a. Audited Financial statements for the year ended 2020-2021
- b. Audited Financial statements for the year ended 2021-22
- c. Provisional Financial statements for the year ended as at 31.07.2022
- d. Brief Profile of company and directors
- e. MOA, AOA, COI of both Company
- f. Details of Valuation of Immovable property of HSL and guideline value for land of JPAL
- g. Discussions with the Management on various issues relevant for the valuation including the prospects and outlook of the Company / industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc. to the above, I have also obtained such other information and explanations which were considered relevant for the purpose of my valuation.
- h. Such other information and explanations as we have required and which have been provided by the Management
- i. Our work does not constitute an audit or certification of the company's financial. Accordingly, we are unable to and do not



HARMINDER SINGH DUTTA

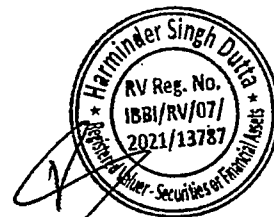
(FCA, ACS, M.COM)

REGISTERED VALUER

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express any opinion on the accuracy of information referred to in this report. We assume no responsibility for any error in the information submitted by the management and their impact on the present exercise.

- j. This valuation report is issued on the understanding that Company has drawn our attention on all the relevant matters, of which it was aware, concerning the Company's options plan and business which may have an impact on our Report.



HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

VII. METHODS OF VALUATION**Valuation bases Used:-**

The intended purpose is to fair value shares, thus Fair Value, is selected and used as valuation basis considering the terms and purpose of the valuation engagement.

Premise of valuation Used:-

Equity Shares are valued assuming the business of the company will continue on going concern basis. Thus going concern is considered for premise of value.

Methodology and Procedures Adopted

As per ICAI Valuation standards generally there are three main valuation approaches which are as follow:

I. Market Approach

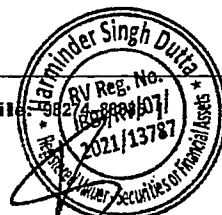
Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

II. Income Approach

Income approach is the valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e. discounted or capitalized) amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

COMPARABLE COMPANIES MULTIPLE METHOD

The Comparable Companies Multiple Method arrives at the value of the company by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences, such as growth potential, past track record, size, company dynamics, etc. The Enterprise Value (EV) to Earnings before Interest Tax Depreciation and Amortization (EBITDA) multiple of comparable listed companies are used for the present valuation exercise



DISCOUNTED CASH FLOW (DCF) METHOD

Under DCF Method, the projected free cash flows of the Company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the Company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long-term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus Cash and Cash Equivalents is made to arrive at the fair value of the Company/business.

III. Cost Approach

Cost approach is a valuation approach that reflects the amount that would be required currently to replace the service capacity of an asset (often referred to as current replacement cost).

Valuation Standards issued by ICAI states that valuer shall use appropriate valuation approach considering the factors like nature of asset to be valued, availability of information and its reliability, strength and weakness of each valuation approach and methods and valuation approach/method considered by market participants.

In performing this valuation engagement I have followed "NAV Approach"



HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

**VIII IMPORTANT MESSAGE TO ANY PERSON NOT
AUTHORIZED TO HAVE ACCESS TO THIS REPORT**

Any person who is not an addressee to this report is not authorized to have access to this report. Any unauthorized person obtain access to and read this report, by reading this report such person accepts and agrees to the following terms:

- a) The reader of this report understands that the work performed by **Harminder Singh Dutta** ("The Registered Valuer"), was performed in accordance with instructions provided by my addressee client and was performed exclusively for my addressee client's sole benefit and use.
- b) The reader of this report acknowledges that this report was prepared at the direction of my addressee client and may not include all procedures deemed necessary for the purpose of the reader.
- c) The reader agrees that **Harminder Singh Dutta** and his employees neither owe or accept any duty or responsibility to it whether in contract or in tort (including without limitation, negligence and breach of statutory duty), and shall not be liable in respect of any loss, damage or expense of whatsoever nature which is caused by any use the reader may choose to make of this report, or which is otherwise consequent upon the gaining of access to the report by the reader. Further, the reader agrees that this report is not to be referred to or quoted, in whole or in part, in any prospectus, registration statement, offering circular, public filing, loan, other agreement or document and not to distribute the report without **Mr. Harminder Singh Dutta** Prior written consent.



VIII. VALUATION OF COMMON SHARES OF HSL

The value of company under NAV approach has been arrived at as follows:-

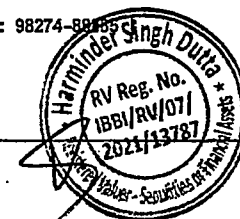
- Management has provided the provisional financial as on 31.7.2022.
- Under Book Value method we have considered book value of all assets less liability to arrive at NAV (book Value)
- Under Market Value method we have considered book value except for Land, Building and all other assets less liability. We have considered market value of Land, Building as per valuation report provided by management.
- The value so Arrived at under both method is subtracted by Preference Share at redemption value.
- The balance value is then divided by number of equity share outstanding.

HSL	NAV (Book Value)	NAV (Market Value)
	31.7.2022	31.7.2022
Net Assets	111.57	127.21
Less PSC Redemption Value	19.5	19.5
Value of Equity Shares	92.07	107.71
No. of Shares (in Crores)	0.861	0.861
Value of Equity Share	106.96	125.13

VALUATION OF COMMON SHARES OF JPAL

The value of company under NAV approach has been arrived at as follows:-

- Management has provided the provisional financial as on 31.7.2022.
- Under Book Value method we have considered book value of all assets less liability to arrive at NAV (book Value)
- Under Market Value method we have considered book value except for Land and all other assets less liability. We have considered market value of Land as per guideline value report provided by management.
- The balance value is then divided by number of equity share outstanding.



HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

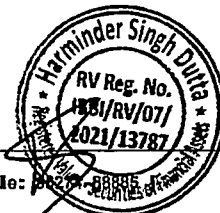
JPAL	NAV (Book Value)	NAV (Market Value)
	31.7.2022	31.7.2022
NAV	120.42	120.81
Less PSC Redemption Value	-	0
Value of ES	120.42	120.81
No. of Shares (in Crores)	0.506	0.506
Value of Equity Share	237.77	238.53

CALCULATION OF EXCHANGE RATIO

JAGDAMBA POWER AND ALLOYS LIMITED			
Valuation Method	Value per Share in Rs.	Weight	Weighted Value
NAV Book Value	237.77	1	237.77
NAV Market Value	238.53	2	477.06
		3	714.83
Value per share Rs.			238.28
HIRA STEELS LIMITED			
Valuation Method	Value per Share in Rs.	Weight	Weighted Value
NAV Book Value	106.96	1	106.96
NAV Market Value	125.13	2	250.26
		3	357.22
Value per share Rs.			119.07
Therefore the exchange ratio shall be			238:119
i.e.			1:2

The Exchange Ratio of common share JPAL with HSL, for the aforesaid purpose, as on 31ST July 2022 is 1:2 for every one share of JPAL the shareholder with get two share of HSL.

S/O Harbhajan Singh Dutta, Behind Khemka Hospital, Jail Road, Sai Nagar, Raipur (C.G.) 492 009 Mobile: 98271-88885
Landline: 0771-4221303 | email: info@caharminder.com



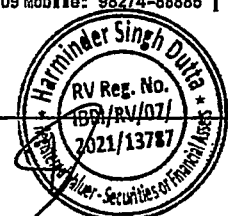
X. LIMITATIONS

- i This valuation report is prepared solely for the Company for the purpose mentioned above and should not be used for any other purpose or by any other party. I will not accept any responsibility or liability to third parties to whom my report may be shown or into whose hands it may come.
- ii As one may appreciate, valuation is more an art and not a precise science, hence conclusions arrived at in many cases are generally subjective and dependent on individual judgment and circumstantial factors borne at the time of such judgment.
- iii Valuation is based on estimates of future financial performance. My opinions represents reasonable expectations at a particular point in time, but such information, estimates or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by the prospective financial analysis will vary from these estimates, and the variations may at times be material.

I have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, I assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

The report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.

This valuation report is tempered by the exercise of judicious discretion by the Valuer, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.



HARMINDER SINGH DUTTA

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XI DISCLAIMER

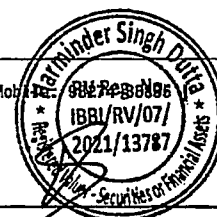
11.1 I have, however, used conceptually sound and generally accepted methods, principles and procedures of valuation in determining the value estimate included in this report. I, by reason of performing this valuation and preparing this report, are not to be required to give expert testimony nor to be in attendance in court or at any government hearing with reference to the matters contained herein, unless prior arrangements have been made with me regarding such additional engagement. I have also assumed that the business will be operated prudently and that there are no unforeseen adverse changes in the economic conditions materially affecting the business, the market, or the industry. This report presumes that the management of the Company will maintain the character and integrity of the Company through any sale, reorganization or reduction of any owner's / manager's participation in the existing activities of the Company.

I assume no hidden or unapparent conditions regarding the subject assets, properties or business interests. I assume there is full compliance with all applicable central, state or local regulations and laws unless the lack of compliance is stated, defined, and considered in the valuation report. I have been informed by management that there are no any significant lawsuit or any other undisclosed contingent liabilities which may potentially affect the business, except as may be disclosed elsewhere in this report.

11.2 We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available for the purpose of this report. Our work does not constitute an audit or certification or due diligence of the working results, financial statements of the Company and its peers.

11.3 The valuation of Companies and business is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. While I have provided its assessment of the value of the share based on information available and within the scope and constraints of engagement, Other may place a different value on the same and actual value realized may differ significantly.

11.4 It may be pointed out that the Valuation is based on opinion that represent reasonable expectations at a particular point in time, but such estimate or income of profit will be achieved, that events will occur, or that a particular price will be offered accepted.



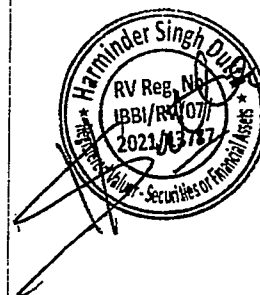
HARMINDER SINGH DUTTA

(FCA, ACS, M.COM)

REGISTERED VALUER

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- 11.5 In no circumstances however, will I or my associates or employees accept any responsibility or liability to any third party and in the unforeseen event of any such responsibility or liability being imposed on me or our associates or employees by any third party, HSL, shall indemnify them.
- 11.6 Our report is subject to scope limitations detailed hereinafter. As such, the report is to be read in totality and not in parts, in conjunction with relevant documents referred to herein.
- 11.7 In the opinion of the management, Current Assets, Loans & Advances as appearing in balance sheet are fully realizable in ordinary course of business.
- 11.8 No responsibility is assumed for information furnished by the company and such information is believed to be reliable.
- 11.9 Prior to issuance of this Report, the contents and factual accuracies of this Report was reviewed and approved by the management of the company.
- 11.10 Our liability if any shall be restricted to fees received by us for this assignment.



Annexure - 2

SCHEME OF AMALGAMATION

UNDER SECTIONS 230 TO 232 OF THE COMPANY ACT, 2013

OF

JAGDAMBA POWER AND ALLOYS LIMITED
(THE "TRANSFEROR COMPANY")

AND

HIRA STEELS LIMITED
(THE "TRANSFeree COMPANY")

AND

THEIR RESPECTIVE SHAREHOLDERS

A) PREAMBLE

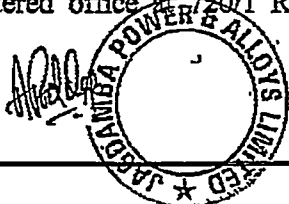
This Scheme of Amalgamation (herein after referred to as "Scheme") is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act (*defined hereinafter*), as may be applicable, amalgamation of the Transferor Company into and with the Transferee Company on a going concern basis.

This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

B) GENERAL

A. Description of Company and Background

- I. Jagdamba Power and Alloys Limited, (CIN: U27104CT1999PLC013744) is an unlisted public limited Company incorporated under the Companies Act, 1956 having its registered office at Hira Arcade, Hira Group of Companies, New Bus Stand, Pandri, Raipur, Chhattisgarh (hereinafter referred to as the "Transferor Company"). The company was mainly engaged in Generation of Electricity, however as on 07.06.2022, the company has sold its power business on slump sale basis and left with the manufacturing facility for manufacture of H.B Wires and to provide loan and advances and to make investments in its group companies.
- II. Hira Steels Limited, (CIN: U27104CT1994PLC008555) is an unlisted public limited Company incorporated under the Companies Act, 1956 having its registered office at 720/1 Rawabhata, Industrial Area Raipur C.G 492001



(hereinafter referred to as the "Transferee Company"). The Transferee Company is engaged in manufacturing of M.S. Bars (Round) in Coil, H.B. Wire and TMT Bars.

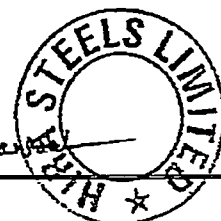
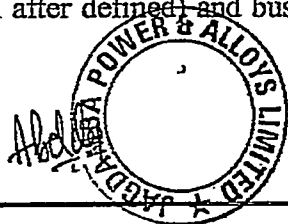
- III. This Scheme of Amalgamation provides for the amalgamation of the Transferor Company into and with the Transferee Company pursuant to Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

B. Rationale for the Scheme

The amalgamation of the Transferor Company into and with the Transferee Company would *inter alia* have the following benefits:

- a. With the complete integration of the Transferor Company into and with the Transferee Company, the Transferee Company will take over the entire business of the Transferor Company, ensuring a streamlined group structure by reducing the number of legal entities in the group
- b. The consolidation of operations of the Transferor Company into and with the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies.
- c. The amalgamation will result in the formation of a stronger company with a larger capital and asset base and enable the combined business to be pursued more conveniently and advantageously. The amalgamation will have beneficial results for the amalgamating companies, their stakeholders and all concerned.
- d. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value, and will improve the competitive position of the Transferee Company.
- e. Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- f. Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Company into and with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme of Amalgamation for the transfer and vesting of the entire Undertaking (herein after defined) and business of the Transferor Company into and



with the Transferee Company pursuant to the provisions of Section 230 to Section 232 and other relevant provisions of the Act.

C. Parts of the Scheme:

This Scheme of Amalgamation is divided into the following parts:

- I. **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
- II. **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company into and with the Transferee Company;
- III. **Part III** deals with the Consideration i.e. issue of new equity shares by the Transferee Company to the eligible shareholders of the Transferor Company, as applicable and cancellation of Preference shares held by Transferor Company in the Transferee Company;
- IV. **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
- V. **Part V** deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

D. The amalgamation of the Transferor Company into and with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) and Section 47 thereof.

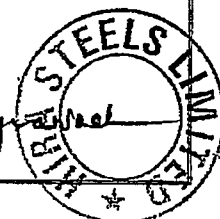
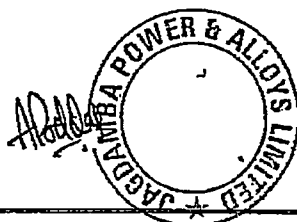
PART I

DEFINITIONS AND SHARE CAPITAL

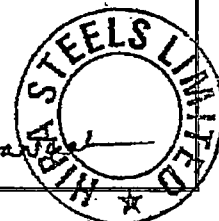
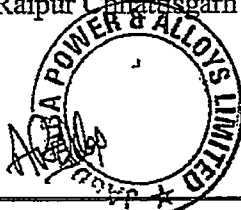
1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. **"Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2. **"Appointed Date"** for the purpose of this Scheme and for Income Tax Act, 1961, the "Appointed Date" means the open of business hours on; 1st August, 2022

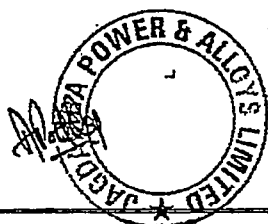


- 1.3 **"Board of Directors" or "Board"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof;
- 1.4 **"Effective Date"** means the last of the dates on which the certified or authenticated copies of the order of the National Company Law Tribunal sanctioning the Scheme are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date;
- 1.5 **"Equity Shares"** means equity shares of the Transferor and Transferee Company, having face value of Rs. 10/- (Ten Only), per share fully paid.
- 1.6 **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including Registrar of Companies, Competition Commission of India and National Company Law Tribunal;
- 1.7 **"New Equity Shares"** means Equity Shares of Transferee Company, to be issued to shareholders of the Transferor Company pursuant to this scheme, upon approval of NCLT in exchange of equity shares held in Transferor Company as per clause 10 of this Scheme.
- 1.8 **"NCLT"** means the National Company Law Tribunal, Cuttack Bench, Cuttack;
- 1.9 **"Preference Shares"** means preference shares of the Transferee Company having face value of Rs. 10/- (Ten Only), per share fully paid.
- 1.10 **"Registrar of Companies"** means the Registrar of Companies, Chhattisgarh.
- 1.11 **"Scheme"** means this Scheme of Amalgamation of Jagdamba Power & Alloys Limited ("the Transferor Company") into and with Hira Steels Limited ("the Transferee Company") and their respective shareholders as submitted to the NCLT together with any modification(s) approved or directed by the NCLT Cuttack Bench;
- 1.12 **"Transferor Company"** means Jagdamba Power and Alloys Limited (CIN: U27104CT1999PLC013744) is an unlisted public limited company incorporated under the Companies Act, 1956 having its registered office at Hira Arcade, Hira Group of Companies, New Bus Stand, Pandri, Raipur, Chhattisgarh 492 001;
- 1.13 **"Transferee Company"** means Hira Steels Limited, (CIN: U27104CT1994PLC008555) is an unlisted public limited company incorporated under the Companies Act, 1956 having its registered office at 720/1 Rawabhata, Industrial Area Raipur Chhattisgarh, 492001;



1.14 "Undertaking" means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):

- I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and where so ever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
- II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and how so ever arising, raised or incurred or utilised;
- III. All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the business activities and operations of the Transferor Company;



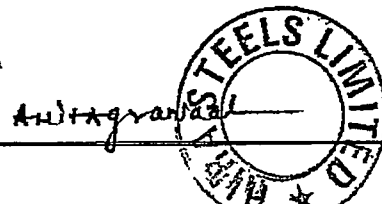
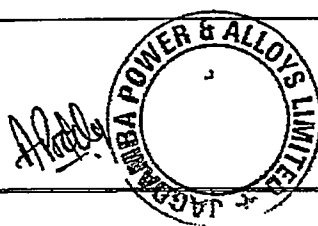
- IV. All records, files, papers, computer programs, manuals, data, catalogues, other information and all other records and documents relating to the business activities and operations of the Transferor Company;
- V. All permanent employees engaged by the Transferor Company as on the Effective Date.
- VI. all rights, entitlements, benefit of any deposits privileges, all other rights, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all agreements, contracts and arrangements, including technological licensing agreements, and all other interests in connection with or relating thereto;
- VII. all benefits and privileges under letters of permission and letters of approvals, all tax credits, including CENVAT and other Input credits, refunds; reimbursements, claims, exemptions, benefits under service tax laws, value added tax, purchase tax, sales tax or any other duty or tax or cess or impost under central or state law including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any and depreciation, deductions and benefits under the Income-tax Act, 1961;
- VIII. all tax related assets if any as per the Income Tax Act, 1961, enjoyed by the Transferor Company;
- 1.2. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

2. SHARE CAPITAL

2.1. Transferor Company:

The Authorised, Issued, Subscribed and Paid-up share capital of the Transferor Company as on July 31, 2022 and subsequent changes are as under:

Particulars	Amount In Rs.
<u>AUTHORISED SHARE CAPITAL:</u>	
1,00,00,000 Equity Shares of Rs.10/- each	10,00,00,000
TOTAL	10,00,00,000
<u>ISSUED, SUBSCRIBED AND PAID UP CAPITAL:</u>	
50,64,700 Equity Shares of Rs.10/- each	5,06,47,000
TOTAL AS ON 31.07.2022	5,06,47,000



Subsequent to the above balance sheet date there is no change in the Capital Structure of Transferor Company.

The Transferor Company shall not make any alteration in its paid up share capital from the date of approval of this scheme by the Board of Directors of the Transferor Company, either by issuance of fresh equity shares or bonus issue or any other from, till Effective Date.

2.2. Transferee Company:

The Authorised, Issued, subscribed and paid-up share capital of the Transferee Company as on July 31, 2022 was as under:

Particulars	Amount In Rs.
<u>AUTHORISED SHARE CAPITAL:</u>	
1,17,50,000 Equity Shares of Rs.10/- each	11,75,00,000
1,44,00,000 Preference Shares of Rs.10/- each	14,40,00,000
TOTAL	26,15,00,000
<u>ISSUED, SUBSCRIBED AND PAID UP CAPITAL:</u>	
86,08,350 Equity Shares of Rs.10/- each	8,60,83,500
19,50,000 Preference Shares of Rs.10/- each	1,95,00,000
TOTAL AS ON 31.07.2022	10,55,83,500

Subsequent to the above balance sheet date there is no change in the capital structure of Transferee Company. It is hereby clarified that the Transferee Company will be free to make further issue of Equity Shares as per provisions of the Companies Act, 2013 and Rules and Regulations made there under and other applicable laws, rules and regulations. However, the Transferee Company shall be not be entitled to make bonus issue of Equity Shares by capitalisation of its free reserves & surplus till the Effective Date.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

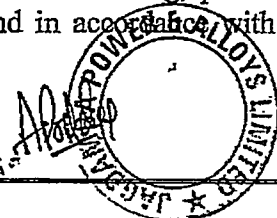
The Scheme set out herein in its present form or with any modifications approved or imposed or directed by NCLT shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

- 4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other



applicable provisions, if any, of the Act, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

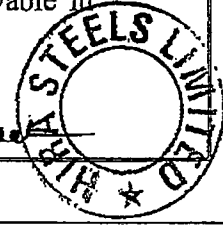
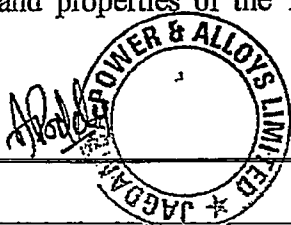
- 4.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Company, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or Intangible assets (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, motor vehicles, actionable claims, furniture and fixtures, computers, office equipment, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, know-how, data, formulations, technology, methodology, brand names, trade names and domain names, and all other interests in connection with or relating to and all other interests exclusively relating to the goods or services, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the orders of the NCLT sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.

4.3 Transfer of Assets:

- 4.3.1 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- 4.3.1.1 All the assets and properties comprised in the Transferor Company of what so ever nature and where so ever situated, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

- 4.3.1.2 Without prejudice to the provisions of Clause 4.3.1.1 above, in respect of such of the assets and properties of the Transferor Company as are movable in



nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking, without requiring any separate deed or instrument or conveyance for the same.

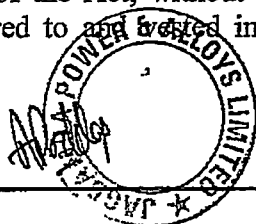
4.3.1.3 In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, bills, credits, loans and advances of the Transferor Company, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any Company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.

4.3.1.4 All interests of the Transferor Company in their respective subsidiaries and associates as on the Appointed Date will become the interests, subsidiaries and associates of the Transferee Company.

4.3.1.5 All the licenses, permits, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.3.2 The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by NCLT under and in accordance with Sections 230 and 232 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished.

4.3.3 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and



vested in the Transferee Company upon the coming into effect of this Scheme. Provided, however, that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

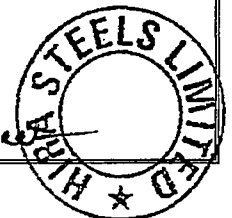
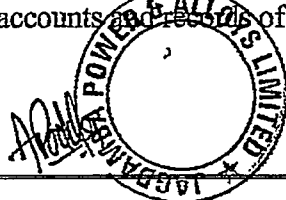
4.4 Transfer of Liabilities:

4.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Transferor Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations (herein referred to as the "Liabilities"), shall, pursuant to the sanction of this Scheme by the NCLT under and in accordance with the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause.

4.4.2 All debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

4.4.3 Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company.



4.5 Encumbrances

- 4.5.1 The transfer and vesting of the assets comprised in the Transferor Company to and in the Transferee Company under Clauses 4.1 and 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 4.5.2 All the existing securities, mortgages, charges, encumbrances or liens (the "Encumbrances"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no Encumbrances shall have been created by the Transferor Company over its assets after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.
- 4.5.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Undertaking transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.5.4 Any reference in any security documents or arrangements (to which the Transferor Company are a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Company to give or mal effect to the above provisions, if required.
- 4.5.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.
- 4.5.6 It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.5.7 The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any



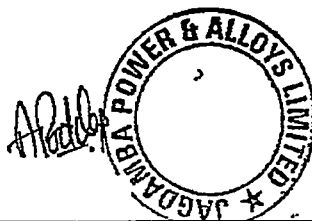
instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.6 Inter - Se Transactions:

Without prejudice to the provisions of Clauses 4.1 to 4.5, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

5. CONTRACTS, DEEDS, ETC.

- 5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company are a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
- 5.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.



6. LEGAL PROCEEDINGS

6.1 On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made; If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Undertaking or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

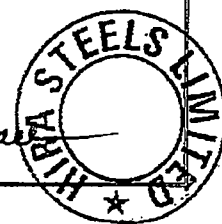
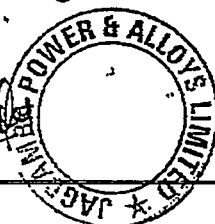
7.1 With effect from the Appointed Date and up to and including the Effective Date:

7.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of and for the benefit of and in trust for the Transferee Company.

7.1.2 All the profits or income accruing or arising to the Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

7.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.2 With effect from the first of the date of filing of this Scheme with the NCLT and up to and including the Effective Date:



7.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

7.2.1.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or

7.2.1.2 if the same is permitted by this Scheme; or

7.2.1.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the respective Board of Directors (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities: (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

7.2.2.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or

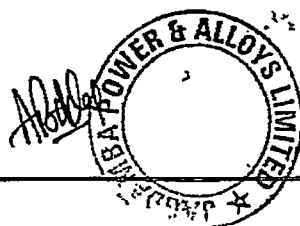
7.2.2.2 if the same is permitted by this Scheme; or

7.2.2.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.3 Treatment of Taxes

7.3.1 Any tax liabilities under the Income-tax Act, 1961, stamp laws, Goods and Service Tax (GST) or other applicable laws/ regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.

7.3.2 All taxes (including income tax, wealth tax, GST etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and insofar as it relates to the tax payment (including without limitation income tax, GST etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed



Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

7.3.3 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

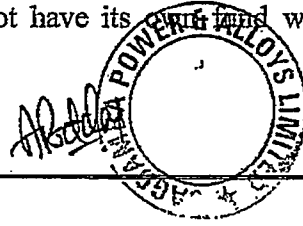
7.3.4 Without prejudice to the generality of the above, all benefits including under the income tax, GST etc., to which the Transferor Company are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

8. STAFF WORKMEN AND EMPLOYEES

8.1 Upon the coming into effect of this Scheme:

8.1.1 All the permanent employees of the Transferor Company who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Board of Directors of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company (as may be recognized by the Transferor Company). After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the employees of the Transferor Company on the same basis as it may do for the employees of the Transferee Company.

8.1.2 The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Company or any other special funds created or existing for the benefit of the concerned permanent employees of the Transferor Company (collectively referred to as the "Funds") and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee



Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

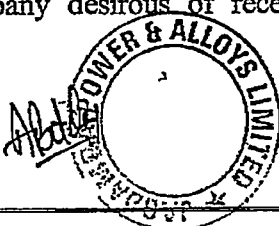
CONSIDERATION

10. ISSUE OF SHARES BY THE TRANSFEE COMPANY

10.1. Upon the Scheme coming into effect and without any further application, act or deed, the Transferee Company shall, in consideration of the amalgamation of the Transferor Company into and with the Transferee Company,

- (a) the 19,50,000 (Nineteen Lacs Fifty Thousand) Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of Transferee Company held by Transferor Company, will be cancelled without any act, deeds or instrument; and
- (b) the Transferee Company will issue and allot, to every equity shareholder of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the register of members of the Transferor Company on the Record Date to be announced by the Board of the Transferor Company, 2 (Two) Equity Shares of the Transferee Company, credited as fully paid-up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") for every 1 (One) Equity Shares of Rs.10 each fully paid-up, held by such shareholder in the capital of the Transferor Company ("Share Exchange Ratio").

10.2. In respect of the equity shares in the Transferor Company already held in dematerialized form, the New Equity Shares to be issued by the Transferee Company in lieu thereof shall also be issued in dematerialized form with the New Equity Shares being credited to the existing depository accounts of the members of the Transferor Company entitled thereto. Members of the Transferor Company desirous of receiving the New Equity Shares in the



Transferee Company in dematerialized form should have their shareholding in the Transferor Company dematerialized on or before the Record Date.

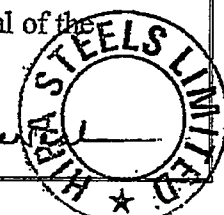
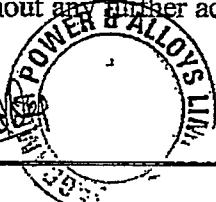
- 10.3. Pursuant to the Scheme, the shares of the Transferor Company held by its equity shareholders in dematerialized form, shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. It may be noted that the entire shareholding of the Transferor Company are held in dematerialized form.
- 10.4. No fractional share shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the equity shareholders of the Transferor Company may be entitled on issue and allotment of New Equity Shares in the Transferee Company as above. The Board of Directors of the Transferee Company shall consolidate all such fractional entitlements and thereupon, issue and allot New Equity Shares in lieu thereof to the Trustee nominated by the Transferee Company for the purpose who shall hold the New Equity Shares in trust for and on behalf of the members entitled to such fractional entitlements with the express understanding that such Trustee shall sell the same at such time or times and at such price or prices to such person or persons, as it deems fit. The said Trustee shall distribute such net sale proceeds to the shareholders of the Transferor Company in the same proportion, as their respective fractional entitlements bear to the consolidated fractional entitlements. The Trustee shall be appointed by the Board of Directors of the Transferee Company.
- 10.5. The New Equity Shares in the Transferee Company to be issued to the shareholders of the Transferor Company shall be subject to the Memorandum and Articles of Association of the Transferee Company and the New Equity Shares so issued shall rank pari-passu in all respects with the existing Equity Shares of the Transferee Company.
- 10.6 Approval of the Scheme by the shareholders of Transferee Company shall be deemed to be due compliance of the provisions of section 42, 62 if any and other relevant or applicable provisions of the Companies Act, 2013 and Rules made there under for the issue and allotment of the Equity shares by Transferee Company to the shareholders of Transferor Company as provided hereinabove.

11. NO ALLOTMENT OF SHARES TO THE TRANSFEE COMPANY

Upon the Scheme coming into effect, all equity shares which the Transferee Company holds in the Transferor Company (either directly or through nominees) shall stand cancelled without any issue or allotment of New Equity Shares or payment whatsoever by the Transferee Company in lieu of such Equity Shares of the Transferor Company.

12. REDUCTION OF SHARE CAPITAL

- 12.1 Upon the Scheme becoming effective 19,50,000 (Nineteen Lacs Fifty Thousand) Non-Cumulative Non-Participating Optionally Convertible & Redeemable Preference Shares of Transferee Company held by Transferor Company shall be cancelled without any further act or deed. Accordingly, the Share Capital of the



Transferee Company shall stand reduced to the extent of face value of Non-Cumulative Non-Participating Optionally Convertible & Redeemable Preference Shares held by the Transferor Company as on effective date.

- 12.2 Such reduction of the aforesaid Preference share Capital of the Transferee Company shall be affected as an integral part of the Scheme itself and not in accordance with the section 66 of the Companies Act, 2013 and no separate compliance and sanction under section 66 of the Companies Act, 2013 shall be necessary.

13. TRANSFER OF AUTHORISED SHARE CAPITAL OF THE COMPANY

Consequent to and as part of the amalgamation of the Transferor Company with the Transferee Company herein, the Authorised Share Capital of the Transferor Company shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act of deed, and without payment of any registration or filing fee on such combined Authorised Share Capital, the Transferor Company and the Transferee Company having already paid such fees. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Company with the Transferee Company shall be a sum of Rs. 36,15,00,000/- divided into 2,17,50,000 Equity Shares and 1,44,00,000 Preference Shares of Rs.10/- each and Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly.

It further clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company as may be required under the Act. Clause 'V' of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

Clause 'V' of the Memorandum of Association

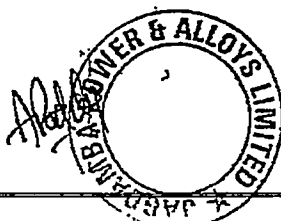
The authorised Share Capital of the Company is Rs. 36,15,00,000 (Rupees Thirty Six Crores Fifteen Lakhs Only) divided into 2,17,50,000 (Two Crores Seventeen Lacs Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 1,44,00,000 (One Crore Forty Four Lakhs) Preference Shares of Rs.10/- (Rupees Ten) each.

PART IV

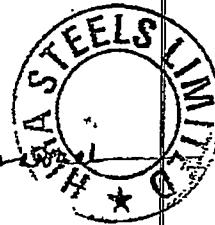
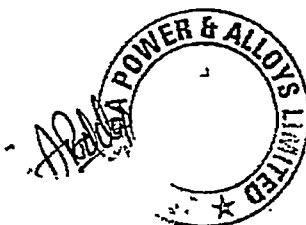
ACCOUNTING TREATMENT AND DIVIDENDS

13. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation as per Accounting Standard - 14 issued by the Institute of Chartered Accountants of India, subject to the following:



- 13.1 All Assets and Liabilities (includes reserves if any) of the Transferor Companies shall be recorded in the books of the Transferee Company at their respective book values as recorded in the books of the Transferor Company subject to such corrections and adjustments, if any, as may in the opinion of the Board of Directors of the Transferee Company be necessary or required and to the extent permissible in law.
- 13.2 It is clarified that the balance (if any) in the Reserves account of the Transferor Companies as on the Appointed Date, shall be transferred to and aggregated with the corresponding Reserves in the books of the Transferee Company. It is clarified that identity of Reserves of the Transferor Companies shall be preserved upon transfer thereof to the Transferee Company.
- 13.3 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, investments, deposit balances or other obligations as between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 13.4 The difference between the value of the net assets of the Transferor Companies to the Transferee Company pursuant to the order of the National Company Law Tribunal over the face value of New Equity Shares issued by the Transferee Company and after giving effect of the shares cancelled of the Transferor Company One, the Transferee Company shall in case of surplus, be credited to the Capital Reserve account and in case of deficit, be debited to the Goodwill account.
- 13.5 The aggregate amount under the head Goodwill as appearing in the books of the Transferee Company shall be written off from the Books of the Transferee Company in the period of 5 years as Governed by AS 26 of the Institute of the Chartered Accountants of India. The aforesaid treatment shall be through the {Profit & Loss account} so that any such diminution and/or loss shall be offset therein and such treatment shall be deemed to be in accordance with all provisions of the Act.
- 13.6 In case of any difference in the accounting policy of the Transferor Companies and that of the Transferee Company, the impact thereof shall be quantified and adjusted in the Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of the consistent accounting policy.
- 13.7 The Transferor Company has been maintaining its financial statements as per applicable Ind-AS and the Transferee Company has been maintaining its financial statements as per applicable IGAAP. Upon Amalgamation, the Transferee Company shall continue to maintain its financial statements in IGAAP.



14. DECLARATION OF DIVIDEND

- 14.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.
- 14.2 For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the Record Date for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.

15. POWER TO GIVE EFFECT TO THIS PART

- 15.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- 15.2. Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch apply for transition of all licenses and statutory registrations of the Transferee Company including but not limited to filings, (including experience and prequalification submissions), industrial licences, municipal permissions, approvals, consent, permits, incentives and subsidies. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as "Transitory Period".

PART V

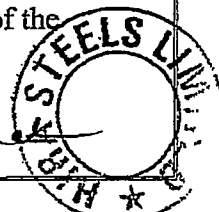
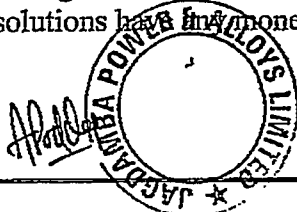
DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

16. DISSOLUTION OF TRANSFEROR COMPANY

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

17. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the

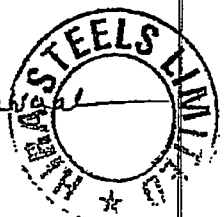
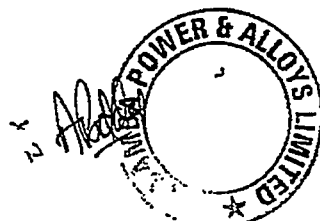


Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

18. MODIFICATION OF SCHEME

18.1 Subject to approval of NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (herein after referred to as the "Delegate") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which NCLT or any authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions are imposed by NCLT or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

18.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.



19. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

20. FILING OF APPLICATIONS

The Transferor Company and the Transferee Company shall use their best efforts to make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act, before the respective NCLT for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

21. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

22. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

22.1 This Scheme is conditional upon and subject to:

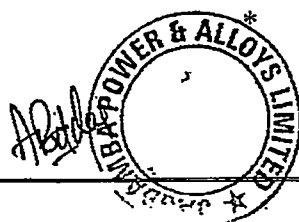
22.1.1 The Scheme being agreed to by the requisite majority of the respective members and/or creditors of the Transferor Company and of the Transferee Company as required under the Act and the requisite orders of the NCLT being obtained;

22.1.2 The Transferee Company will provide for voting by the public shareholders through polling paper or e-voting and will disclose all material facts in the explanatory statement to be sent to the shareholders in relation to the Resolution Sanctioning the Scheme of Amalgamation; and

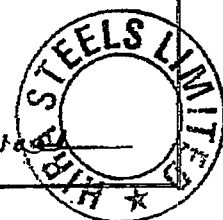
22.1.3 The certified copies of the orders of the NCLT sanctioning this Scheme being filed with the Registrar of Companies, Chhattisgarh.

23. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of NCLT, if any and to the extent applicable and payable, shall be borne and paid by the Transferee Company.



* * *



Annexure-3

Summary of Valuation Report along with basis of valuation

1. The management of Jagdamba Power and Alloys Limited (hereinafter referred to as Transferor Company or JPAL) and Hira Steels Limited (hereinafter referred to as Transferee Company or HSL) have appointed Mr. Harminder Singh Dutta, Registered Valuer, Raipur as independent valuer to recommend a fair ratio for exchange of equity shares of Transferee Company to the Equity Shareholders of Transferor Company on the proposed Scheme of Amalgamation.
2. The valuer has considered Income approach, Market approach, EV/EBIDTA approach, Cost Approach, Discounted Cash flow method, NAV Approach to determine the fair value of the shares of the companies.
3. Accordingly the share entitlement ratio derived as per NAV Approach is as under:-
“For every 1 (one) Equity Shares of face value of Rs. 10/- (Ten) held in the Transferor Company, 2 (Two) Equity Shares of Face Value of Rs. 10/- (Ten) in the Transferee Company to be issued to the shareholders of the Transferor Company has been arrived at and approved by the Board of Directors of the Transferor Company and the Board of Directors of the Transferee company.”

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF HIRA STEELS LIMITED ('COMPANY') IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON 15th SEPTEMBER, 2022.

(1) Background

1.1 The Board of Directors ('Board') of the Company at their meeting held on 15th September, 2022 had approved a draft of the proposed Scheme of Amalgamation of Jagdamba Power and Alloys Limited ('Transferor Company') into and with Hira Steels Limited ('Transferee Company').

The Scheme was approved by the Audit Committee also at its meeting held on 15th September, 2022.

1.2 As per Section 232(2) (c) of the Companies Act, 2013 a report is required to be adopted by the Directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters, non-promoter shareholders of the Company laying out in particular the Share exchange ratio, specifying any special valuation difficulties ('Report').

1.3 Having regard to the applicability of the aforesaid provisions, the scheme and the following documents were placed before the Board:

- a. Draft Scheme duly initialed by the Director for the purpose of identification.
- b. Valuation Report ("Valuation Report") dated 15th September, 2022 issued by Mr. Harminder Singh Dutta, Registered Valuer, Raipur ("the Valuer").
- c. Certificate dated 15th September, 2022, issued by JDS & Co, Chartered Accountants, the Statutory Auditors of the Company as required under section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft scheme is in accordance with the accounting standards and applicable law.

Amit Agrawal



Hira Steels Limited

CIN: U27104CT1994PLC008555

Registered Office & Works: 720/1, Rawabhata Industrial Area, Raipur - 493221, Chhattisgarh, India

P: +91 771 4082688, F: +91 771 4082693

Corporate Office: G-16, Hira Arcade, Near Bus Stand, Pandri, Raipur - 492004, Chhattisgarh, India

www.korebars.com, www.hiragroup.com

4. Rationale of the Scheme

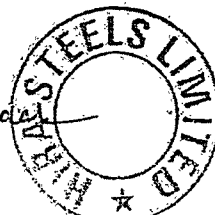
The amalgamation of the Transferor Company into and with the Transferee Company would *inter alia* have the following benefits:

- a. With the complete integration of the Transferor Company into and with the Transferee Company, the Transferee Company will take over the entire business of the Transferor Company, ensuring a streamlined group structure by reducing the number of legal entities in the group
- b. The consolidation of operations of the Transferor Company into and with the Transferee Company by way of amalgamation will lead to a more efficient utilization of capital, administrative and operational rationalization and promote organizational efficiencies.
- c. The amalgamation will result in the formation of a stronger company with a larger capital and asset base and enable the combined business to be pursued more conveniently and advantageously. The amalgamation will have beneficial results for the amalgamating companies, their stakeholders and all concerned.
- d. Greater integration and greater financial strength and flexibility for the Transferee Company, which would result in maximising overall shareholder value; and will improve the competitive position of the Transferee Company.
- e. Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.
- f. Cost savings are expected to flow from more focused operational efforts, rationalization, standardisation and simplification of business processes, and the elimination of duplication, and rationalization of administrative expenses.

5. Effect of the Scheme on Stakeholders

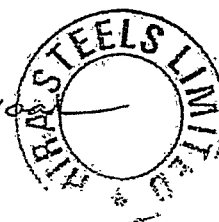
Sr. No.	Category of Stakeholder	Effect of the Scheme
(i)	Shareholders	<ul style="list-style-type: none"> The Transferee Company has two classes of shareholders namely Equity Shareholders and preference shareholders.

Amit Agrawal



		<ul style="list-style-type: none"> Upon the Scheme coming into effect the Transferee Company shall, in consideration of the amalgamation of the Transferor Company into and with the Transferee Company, the Transferee Company will issue and allot, to every equity shareholder of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the register of members of the Transferor Company on the Record Date to be announced by the Board of the Transferor Company, 2 (Two) Equity Shares of the Transferee Company, credited as fully paid-up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") for every 1 (One) Equity Shares of Rs.10 each fully paid-up, held by such shareholder in the capital of the Transferor Company ("Share Exchange Ratio").
(ii)	Promoters	<ul style="list-style-type: none"> New shares will be issued as per the Share Exchange Ratio to the promoters of the Transferee Company who are holding shares in the Transferor Company. Further, 19,50,000 Non-Cumulative Non-Participating Optionally Convertible & Redeemable Preference Shares held by the Transferor Company in Transferee Company pre-amalgamation shall stand cancelled without any further act or deed.
(iii)	Non-Promoter Shareholders	Please refer to point (i) above the details regarding effect on shareholder.
(iv)	Key Managerial Personnel	<ul style="list-style-type: none"> The Key managerial Personnel of the Transferor Company (i.e Company Secretary and Chief Financial Officer) (KMP's) shall continue as Key Managerial Personnel of the Transferee Company and the Board of Directors of the Transferor Company shall dissolve after effectiveness

Amit Agrawal



		<p>of the Scheme.</p> <ul style="list-style-type: none"> New shares will be issued as per the Share Exchange Ratio to the KMP of the Transferee Company who are holding shares in the Transferor Company.
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6) **Valuation**

- I. Valuation Report ("Valuation Report") dated 15th September, 2022 issued by Mr. Harinder Singh Dutta, Registered Valuer, Raipur ("the Valuer").
- II. Valuer have derived the fair value of the Transferee Company by applying equal weight to Income approach, Market approach, EV/EBIDTA approach, Cost Approach, Discounted Cash flow method, NAV Approach.
- III. Based on the above the fair ratio of exchange is derived on the basis of NAV Approach which is as under;
For every 1 (one) Equity Shares of face value of Rs. 10/- (Ten) held in the Transferor Company, 2 (Two) Equity Shares of Face Value of Rs. 10/- (Ten) in the Transferee Company to be issued to the shareholders of the Transferor Company.

7) **Adoption of Report by the Directors**

The Directors of the Company have adopted this report after noting and considering information set forth in this report. The Board or any duly authorised committee by the Board is entitled to make relevant modification to this report, if required, and such modifications or amendments shall be deemed to form part of this report.

Date: September 15, 2022
Place: Raipur



Anita Agrawal
CHAIRMAN

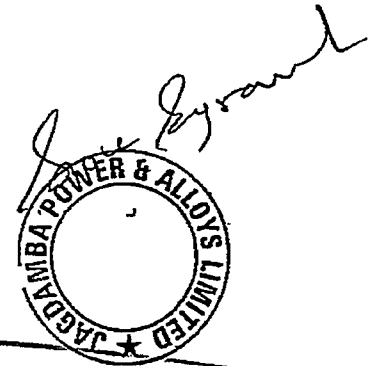


JAGDAMBA POWER & ALLOYS

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF JAGDAMBA POWER & ALLOYS ('COMPANY') IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 AT ITS MEETING HELD ON 15th SEPTEMBER, 2022.

(1) Background

- 1.1 The Board of Directors ('Board') of the Company at their meeting held on 15th September, 2022 had approved a draft of the proposed Scheme of Amalgamation of Jagdamba Power and Alloys Limited ('Transferor Company') into and with Hira Steels Limited ('Transferee Company').
- 1.2 As per Section 232(2) (c) of the Companies Act, 2013 a report is required to be adopted by the Directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters, non-promoter shareholders of the Company laying out in particular the Share exchange ratio, specifying any special valuation difficulties ('Report').
- 1.3 Having regard to the applicability of the aforesaid provisions, the scheme and the following documents are placed before the Board;
 - a. Draft Scheme duly initialed by the Director for the purpose of identification.
 - b. Valuation Report ("Valuation Report") dated 15th September, 2022 issued by Mr. Harminder Singh Dutta, Registered Valuer, Raipur ("the Valuer").
 - c. Certificate dated 15th September, 2022, issued by JDS & Co, Chartered Accountants, the Statutory Auditors of the Company as required under section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft scheme is in accordance with the accounting standards and applicable law.



Jagdamba Power & Alloys Limited

An ISO 9001: 2008 certified company
CIN : U27104CT 1999 PLC013744

Works : 129, Munrethi Road, Phase II, Siltara, Raipur - 493111, Chhattisgarh, India

Registered & Corporate Office : G-16, Hira Arcade, Near New Bus Stand, Pandri, Raipur - 492004 Chhattisgarh, India

P: +91 771 -4082775, 85, F: +91 771 - 4082776

www.hiragroup.com

2. Effect of the Scheme of Amalgamation on Equity Shareholders (including promoter shareholder and non-promoter shareholder), employees and KMPs of JPAL.

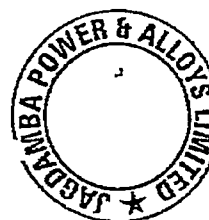
- 2.1 Upon the Scheme coming into effect the Transferee Company shall, in consideration of the Scheme of Amalgamation of Jagdamba Power and Alloys Limited into and with Hira Steels Limited, the Transferee Company will issue and allot, to every equity shareholder of the Transferor Company, holding fully paid-up equity shares in the Transferor Company and whose names appear in the register of members of the Transferor Company on the Record Date to be announced by the Board of the Transferor Company, 2 (Two) Equity Shares of the Transferee Company, credited as fully paid-up with rights attached thereto as hereinafter mentioned (hereinafter referred to as the "New Equity Shares") for every 1 (One) Equity Shares of Rs.10 each fully paid-up, held by such shareholder in the capital of the Transferor Company ("Share Exchange Ratio").
- 2.2 Further, no new shares will be issued to the Transferee Company pursuant to the effect of this Scheme.
- 2.3 All the permanent employees of the Transferor Company who are in its employment as on the Effective Date shall become the permanent employees of the Transferee Company
- 2.4 The Board of Directors except Company Secretary and Chief Financial Officer of the Transferor Company shall without any further act, instrument or deed be and stand dissolved after the effectiveness of the Scheme of Amalgamation.

3. Adoption of Report by the Directors

The Directors of the Company have adopted this report after noting and considering information set forth in this report. The Board is entitled to make relevant modification to this report, if required, and such modifications or amendments shall be deemed to form part of this report.

Date: September 15, 2022

Place: Raipur



[Signature]
CHAIRMAN

Annexure-6

FORM NO. GNL-1[Pursuant to rule 12(2) of the Companies
(Registration offices and Fees) Rules, 2014]**Form for filing an application with
Registrar of Companies****Form language** ☒ English ☐ Hindi**Note - All fields marked in * are to be mandatorily filled.**

1. * Category of applicant

Company

2. * Name of office of the registrar of Companies (RoC) to which application is being made

Registrar of Companies, Chhattisgarh

3. (a) Corporate identity number (CIN) or foreign company
registration number (FCRN) of the company or **RUN** reference number
(Service request number (SRN) of **RUN**)

U27104CT1994PLC008555

Pre-fill

(b) Global location number (GLN) of company

4. (a) Name of the company

HIRA STEELS LIMITED

(b) Address of the
registered office or
of the principal place
of business in India
of the Company720/1 RAWABHATA, INDUSTRIAL AREA
RAIPUR
C.G
Chhattisgarh
492001
India

(c) e-mail ID of the company

co.secretary@hiragroup.com

5. Details of applicant (in case category is others)

(a) Name

(b) Address

Line I

Line II

(c) City

(d) State

(e) ISO country code

(f) Country

(g) Pin code

(h) e-mail ID

6. * Application filed for

- ☐ Compounding of offences
- ☐ Extension of period of annual general meeting by three months
- ☒ Scheme of arrangement, amalgamation
- ☐ Others

7. If Others, then specify

8. *Details of application

NCLT Application for Scheme of Amalgamation of Jagdamba Power and Alloys Limited (Transferor Company) with Hira Steels Limited (Transferee Company) filed with NCLT, Cuttack Bench.

9. In case of application for compounding of offences, provide the following details

(a) Whether application for compounding offence is filed in respect of

☐ Company ☐ Director ☐ Manager or Secretary or CEO or CFO ☐ Other

(b) Number of person(s) for whom the application is being filed

(c) Details of person(s) for whom the application is being filed

(i)	Category <input type="text"/>	Director identification number (DIN) or income-tax permanent account number (income-tax PAN) or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(ii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(iii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(iv)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(v)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(vi)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(vii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		
(viii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	Pre-fill <input type="button"/>
	Name <input type="text"/>		

(d) Whether application is being filed

☐ Suo-motu ☐ In pursuance to notice received from RoC or any other competent authority

(e) Notice number and date of notice

--

(f) Section for which application is being filed

--

(g) Brief particulars as to how the default has been made good

--

10. In case of application is made for extension of period of an AGM, mention financial

 (DD/MM/YYYY)
year end date in respect of which the application is being filed

11.(a) Service request number of Form MGT-14

--

(b) Date of passing special or ordinary resolution

(DD/MM/YYYY)

(c) Date of filing form MGT-14

(DD/MM/YYYY)

12. Total amount of stamp duty paid or stamp paper

--

Attachments

List of attachments

1. Board Resolution
2. Scheme of arrangement, amalgamation
3. *Detailed application
4. Copy of notice received from RoC or any other competent authority
5. Other attachments - if any

Attach
Attach
Attach
Attach
Attach

HSL CTC_BR_15092022.pdf
NCLT APPLICATION_Final.pdf
IPAL AND HSL SCHEME OF AMALGAMATION

Remove Attachment

Verification

To the best of my knowledge and belief, the information given in this application and its attachments is correct and complete.

☒ I have been authorised by the Board of directors' resolution number dated (DD/MM/YYYY) to sign and submit this application.

☐ I am duly authorised to sign and submit this form.

To be Digitally signed by

Managing Director or director or manager or secretary or CEO or CFO (in case of an Indian company or an authorised representative (in case of a foreign company) or other)



Designation

Director

DIN of the director or Managing Director or; income-tax PAN of the manager or authorised representative; or CEO or CFO Membership number

02992106

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

- i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order ;
- ii. All the required attachments have been completely and legibly attached to this form

To be digitally signed by



- ☐ Chartered accountant (in whole-time practice) or ☐ Cost accountant (in whole-time practice) or ☒ Company secretary (in whole-time practice)

Whether associate or fellow

☐ Associate

☒ Fellow

Membership number

7704

Certificate of practice number

8512

Note: Attention is also drawn to provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively

Modify

Check Form

Prescuting

Submit

For office use only:

eForm Service request number (SRN)

eForm filing date

(DD/MM/YYYY)

Digital signature of the authorising officer

This e-Form is hereby approved

This e-Form is hereby rejected

Date of signing

(DD/MM/YYYY)

Confirm submission

MINISTRY OF CORPORATE AFFAIRS

ACKNOWLEDGEMENT

SRN : F49334428

Service Request Date : 28/11/2022

Received From :**Name :** HIRA GROUP COMPANIES**Address :** HIRA ARCADE

PANDRI

RAIPUR, Chhaattisgarh

India - 492001

Entity on whose behalf money is paid**CIN:** U27104CT1994PLC008555**Name :** HIRA STEELS LIMITED**Address :** 720/1 RAWABHATA, INDUSTRIAL AREA

RAIPUR

C.G, Chattisgarh

India - 492001

Full Particulars of Remittance**Service Type:** eFiling**Service Description**

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

Annexure-7

FORM NO. GNL-1[Pursuant to rule 12(2) of the Companies
(Registration offices and Fees) Rules, 2014]**Form for filing an application with
Registrar of Companies**Form language ☒ English ☐ Hindi**Note - All fields marked in * are to be mandatorily filled.**

1. * Category of applicant

Company

2. * Name of office of the registrar of Companies (RoC) to which application is being made

Registrar of Companies, Chhattisgarh

3. (a) Corporate identity number (CIN) or foreign company
registration number (FCRN) of the company or **RUN** reference number
(Service request number (SRN) of **RUN**)

U27104CT1999PLC013744

Pre-fill

(b) Global location number (GLN) of company

4. (a) Name of the company

JAGDAMBA POWER AND ALLOYS LIMITED

(b) Address of the
registered office or
of the principal place
of business in India
of the CompanyHIRA ARCADE, HIRA GROUP OF COMPANY
NEW BUS STAND
RAIPUR
Chhattisgarh
492001
India

(c) e-mail ID of the company

co.secretary@hiragroup.com

5. Details of applicant (in case category is others)

(a) Name

(b) Address

Line I

Line II

(c) City

(d) State

(e) ISO country code

(f) Country

(g) Pin code

(h) e-mail ID

6. * Application filed for

- ☐ Compounding of offences
☐ Extension of period of annual general meeting by three months
☒ Scheme of arrangement, amalgamation
☐ Others

7. If Others, then specify

8. *Details of application

NCLT Application for Scheme of Amalgamation of Jagdamba Power and Alloys Limited (Transferor Company) with Hira Steels Limited (Transferee Company) filed with NCLT, Cuttack Bench.

9. In case of application for compounding of offences, provide the following details

(a) Whether application for compounding offence is filed in respect of

☐ Company ☐ Director ☐ Manager or Secretary or CEO or CFO ☐ Other

(b) Number of person(s) for whom the application is being filed

(c) Details of person(s) for whom the application is being filed

(i)	Category <input type="text"/>	Director identification number (DIN) or income-tax permanent account number (income-tax PAN) or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(ii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(iii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(iv)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(v)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(vi)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(vii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(viii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		

(d) Whether application is being filed

☐ Suo-motu ☐ In pursuance to notice received from RoC or any other competent authority

(e) Notice number and date of notice

(f) Section for which application is being filed

(g) Brief particulars as to how the default has been made good

10. In case of application is made for extension of period of an AGM, mention financial (DD/MM/YYYY)
year end date in respect of which the application is being filed

11.(a) Service request number of Form MGT-14

(b) Date of passing special or ordinary resolution (DD/MM/YYYY)

(c) Date of filing form MGT-14 (DD/MM/YYYY)

12. Total amount of stamp duty paid or stamp paper

Attachments

List of attachments

1. Board Resolution
2. Scheme of arrangement, amalgamation
3. *Detailed application
4. Copy of notice received from RoC or any other competent authority
5. Other attachments - if any

Attach	JPAL CTC_BR_15092022.pdf
Attach	NCLT APPLICATION_Final.pdf
Attach	JPAL AND HSE SCHEME OF AMALGAMATION
Attach	
Attach	
Attach	

Remove Attachment

Verification

To the best of my knowledge and belief, the information given in this application and its attachments is correct and complete.

- ☒ I have been authorised by the Board of directors' resolution number dated (DD/MM/YYYY) to sign and submit this application.
- ☐ I am duly authorised to sign and submit this form.

To be Digitally signed by

Managing Director or director or manager or secretary or CEO or CFO (in case of an Indian company or an authorised representative (in case of a foreign company) or other)



Designation

DIN of the director or Managing Director or; income-tax PAN of the manager or authorised representative; or CEO or CFO Membership number

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/ applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

- i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order ;
- ii. All the required attachments have been completely and legibly attached to this form

To be digitally signed by



- ☐ Chartered accountant (in whole-time practice) or ☐ Cost accountant (in whole-time practice) or
- ☒ Company secretary (in whole-time practice)

Whether associate or fellow ☐ Associate ☒ Fellow

Membership number

Certificate of practice number

Note: Attention is also drawn to provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively

Modify	Check Form	Prescrutiny	Submit
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For office use only:

eForm Service request number (SRN) eForm filing date (DD/MM/YYYY)

Digital signature of the authorising officer

This e-Form is hereby approved

This e-Form is hereby rejected

Confirm submission

Date of signing (DD/MM/YYYY)

MINISTRY OF CORPORATE AFFAIRS

ACKNOWLEDGEMENT

SRN : F49335797

Service Request Date : 28/11/2022

Received From :**Name :** HIRA GROUP COMPANIES**Address :** HIRA ARCADE

PANDRI

RAIPUR, Chhaattisgarh

India - 492001

Entity on whose behalf money is paid**CIN:** U27104CT1999PLC013744**Name :** JAGDAMBA POWER AND ALLOYS LIMITED**Address :** HIRA ARCADE, HIRA GROUP OF COMPANY

NEW BUS STAND

RAIPUR, Chattisgarh

India - 492001

Full Particulars of Remittance**Service Type:** eFiling**Service Description**

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014

JDS & Co

CHARTERED ACCOUNTANTS
6-CENTRAL AVENUE, CHOUBE COLONY,
RAIPUR - 492001 (C.G.) INDIA
PHONE: 0771-4041236
Email: jdscoiraipur@gmail.com

Independent Auditor's Report**To the Members of Hira Steels Limited****Report on the Standalone Financial Statements****Opinion**

We have audited the financial statements of Hira Steels Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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 Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit 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 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

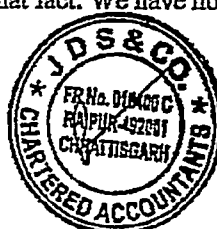
Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for 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 financial statements and our auditors 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the AS 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 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.

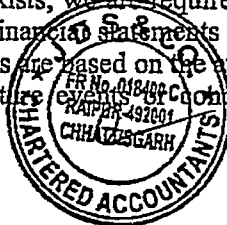
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- 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 ability of the company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

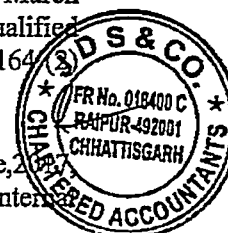
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
 - (e) on the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 of the Act;
 - (f) In view of exemption granted vide Notification No. GSR 583(E) dt.13th June, 2022, the reporting under Section 143 (3) (i) of the Act, in respect of Report on Internal Financial Control is not applicable to the company;



(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 for which there were any material foreseeable losses; and
- iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For JDS & Co
(ICAI Firm Regn. No.018400C)
Chartered Accountants

OP Singhania
OP Singhania
Partner
Membership No.051909



Raipur, 22nd June, 2022

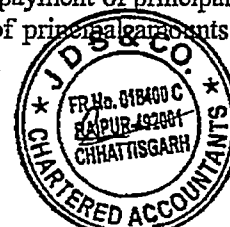
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Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Hira Steels Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the physical verification of inventories has been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not more than 10% or more in the aggregate of each class of inventory and have been properly dealt with in the books of account.
- (b) Based on the audit procedure and on an overall examination of financial statements, we are of the opinion that the stock statements and quarterly returns filed by the company, in respect of working capital loan availed from banks, are in agreement with the books of account of the company and no material discrepancies have been observed.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans and provided security to subsidiary, associates or joint ventures or any other entity during the year, and hence reporting under clause 3(iii)(a) (A) & (B) of the Order is not applicable.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

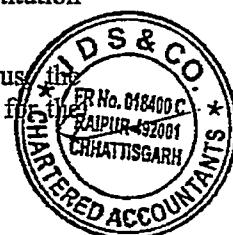


- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans repayable on demand or without specifying any terms of repayment during the year to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013. Hence, reporting under clause 3(iii) (f) of the Order is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- (vii) (a) According to the information & explanations given to us, during the year the company is regular in depositing the statutory liabilities with regard to the Income Tax, Cess and other material statutory dues with the appropriate authorities. According to the information & explanations given to us, no undisputed amounts of statutory dues as stated above were in arrears as at 31st March 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, income tax, sales tax, service tax, custom duty, excise duty, Goods and Services tax, value added tax and cess which have not been deposited on account of any dispute other than followings: -

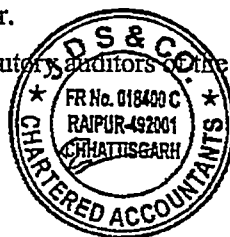
Name of Statute	Nature of Dues	Amount in Lacs*	Forum where dispute is pending
Income Tax Act, 1961	Income Tax Demand for the AY 2012-13	4.07	CIT (Appeals), Bhopal
Income Tax Act, 1961	Income Tax Demand for the AY 2015-16	0.26	CIT (Appeals), Bhopal
Income Tax Act, 1961	Income Tax Demand for the AY 2016-17	94.24	CIT (Appeals), Bhopal

*Net of Deposits

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender and hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.



- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) In our opinion and based on our examination, the company is not required to have vigil mechanism (whistle blower) as per the provisions of the Companies Act, 2013. Hence, reporting under clause 3(xi) (c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.



- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and based on our examination, the provisions of Section 135 of the Companies Act, 2013 is not applicable to the company. Hence, reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

For JDS & Co
[ICAI Firm Regn. No.018400C]
Chartered Accountants

OP Singhania
OP Singhania
Partner
Membership No.051909



Raipur, 22nd June, 2022

UDIN: 22051909ALKUTL1609

Annexure - B to the Independent Auditors' Report

Referred to in paragraph 2(f) of Report on Other Legal and Regulatory Requirements of our report of even date,

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

We have audited the internal financial controls over financial reporting of **Hira Steels Limited** (the "Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

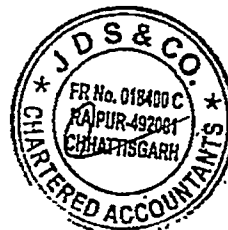
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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

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 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 auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

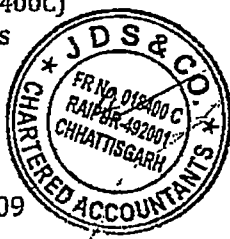
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, to the best of our information and according to the explanations given to us, 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 31 March 2022, 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 ICAI.

For JDS & Co
(ICAI Firm Regn. No.018400C)
Chartered Accountants

OP Singhan
OP Singhania
Partner
Membership No.051909



Raipur, 22nd June, 2022

UDIN: 22051909ALKUTL1609

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Hira Steels Limited
Balance Sheet as at 31st March ,2022

Particulars	Notes	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
EQUITY AND LIABILITIES			
<u>Shareholders' Funds</u>			
Share capital	3	1,321.60	2,521.60
Reserves and surplus	4	10,131.04	5,179.55
Share warrants		-	3,840.00
		<u>11,452.63</u>	<u>11,541.15</u>
<u>Non-current liabilities</u>			
Long-term borrowings	5	3,181.56	525.61
Deferred Tax Liabilities	6	107.03	-
Long-term provisions	7	120.03	101.88
		<u>3,408.62</u>	<u>627.49</u>
<u>Current liabilities</u>			
Short-term borrowings	8	5,329.28	2,396.77
Trade payables	9	-	-
- Outstanding dues to micro and small enterprises		-	-
- Outstanding dues of creditors other than micro and small enterprises		69.59	646.28
Other current liabilities	10	296.41	429.18
Short-term provisions	7	13.33	13.25
		<u>5,708.61</u>	<u>3,485.48</u>
TOTAL		<u>20,569.86</u>	<u>15,654.11</u>
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	11	3,209.98	3,146.53
Intangible Assets	12	4.74	8.51
Capital work-in-progress	13	3,870.16	530.01
Non-current investments	14	7.38	7.00
Deferred tax assets (net)	6	-	4.94
Long-term loans and advances	15	1,175.76	29.37
Other non-current assets	16	38.92	233.99
		<u>8,306.94</u>	<u>3,960.35</u>
<u>Current assets</u>			
Inventories	17	2,684.11	3,534.68
Trade receivables	18	2,699.09	1,720.24
Cash & bank balances	19	122.47	353.88
Short-term loans and advances	15	6,757.25	6,084.96
		<u>12,262.92</u>	<u>11,693.76</u>
TOTAL		<u>20,569.86</u>	<u>15,654.11</u>
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For JDS & Co.

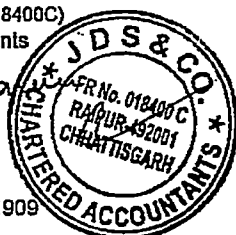
(ICAI Firm Reg. No.018400C)

Chartered Accountants

OP Singhania

Partner

Membership No.051909



For and on behalf of the Board of Directors of
Hira Steels Limited

Amit Agrawal
Amit Agrawal

Director

DIN: 01075859

Sonam Agrawal
Sonam Agrawal
Company Secretary

Arun Poddar
Arun Poddar

Director

DIN: 02992106

Rajesh Rajimwale
Rajesh Rajimwale
CFO

Raipur, 22nd June, 2022

Hira Steels Limited

Statement of Profit & Loss for the year ended 31st March, 2022

	Notes	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
INCOME			
Revenue from operations	20	78,027.64	55,057.20
Other Income	21	276.82	260.65
TOTAL REVENUE (I)		78,304.46	55,317.84
EXPENDITURE			
Cost of raw material and component consumed	22	71,168.38	47,546.36
Purchase of Traded Goods	23	940.42	1,213.33
(Increase)/decrease in inventories of finished goods	23	593.41	1,259.52
Employee benefits expense	24	529.36	431.64
Finance costs	25	185.93	118.07
Depreciation & amortization expense	26	393.20	452.27
Other Expenses	27	3,540.29	3,035.22
TOTAL EXPENDITURE (II)		77,350.98	54,056.41
Profit/(Loss) before exceptional items and tax		953.48	1,261.43
Less: Exceptional items	37	412.01	1,060.00
Profit/(Loss) before tax		541.46	201.43
Tax expenses			
Current tax		90.38	33.62
MAT Credit Entitlement		(49.97)	(33.62)
Deferred Tax		111.97	46.25
Income tax related to earlier year		-	10.15
Total tax expenses		152.38	56.41
Profit/(loss) for the year from continuing operations		389.08	145.03
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2021 ₹ 10/-)]	28		
Basic		3.45	1.29
Diluted		2.94	0.62
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

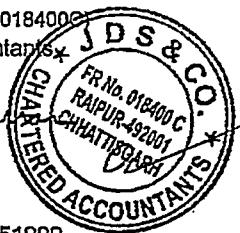
For JDS & Co.

(ICAI Firm Reg. No.018400C)
Chartered Accountants

OP Singhania

Partner

Membership No.051909



For and on behalf of the Board of Directors of Hira Steels Limited

Amit Agrawal
Amit Agrawal

Director

DIN: 01075859

Arun Poddar
Arun Poddar

Director

DIN: 02992106

Sonam Agrawal
Sonam Agrawal

Company Secretary

Rajesh Rajimwale
Rajesh Rajimwale

CFO

Raipur, 22nd June, 2022

Hira Steels Limited**Statement of Cash Flows for the year ended 31st March, 2022**

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
Cash Flow from operating activities		
Profit before tax from continuing operations	541.46	201.43
Exceptional Items	412.01	1,060.00
Profit/(Loss) before exceptional items and tax	953.48	1,261.43
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation on continuing operation	393.20	452.27
Provision for gratuity	18.22	(1.97)
(Profit)/loss on sale of property, plant & equipment	0.38	(74.57)
Loss on sale of Investments	-	6.05
Interest Expenses	185.93	118.07
Interest Income	(258.73)	(165.78)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,292.49	1,595.50
Movements in working capital :		
Increase/(decrease) in trade payables	(576.69)	(996.90)
Increase/(decrease) in other Current liabilities	(132.77)	398.09
Decrease/(Increase) in trade receivables	(978.85)	382.72
Decrease/(Increase) in inventories	850.56	462.04
Decrease/(Increase) in long-term loans and advances	(1,146.39)	(13.22)
Decrease/(Increase) in short-term loans and advances	(1,085.58)	(2,183.82)
Cash generated from/(used in) operations	(1,777.23)	(355.58)
Direct taxes paid (net of refunds)	(39.12)	(14.29)
Net Cash flow from/(used in) operating activities	A (1,816.35)	(369.86)
Cash flows from investing activities		
Purchase of property, plant & equipment, CWIP and Capital advances	(3,795.95)	(532.47)
Proceeds of sale of property, plant & equipment	2.54	77.49
Sale proceeds of investments	(0.38)	43.95
Redemption/maturity of bank deposits (having original maturity of more than three months)	195.07	(218.26)
Interest received	258.73	165.78
Net cash flow from/(used in) investing activities	B (3,339.98)	(463.51)
Cash flows from financing activities		
Proceeds from issue of preference shares including premium	-	1,950.00
Redemption of Preference Shares	(477.60)	-
Proceeds/(Repayment) of long-term borrowings	2,655.95	513.74
Proceeds/(Repayment) of short-term borrowings	2,932.51	(1,180.37)
Interest paid	(185.93)	(118.07)
Net cash flow from/(used in) financing activities	C 4,924.93	1,165.30
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(231.41)	331.93
Cash and Cash Equivalents at the beginning of the year	353.88	21.95
Cash and Cash Equivalents at the end of the year	122.47	353.88
Components of cash and cash equivalents		
Cash in hand	19.08	12.77
With banks- on Current account	103.39	341.11
	122.47	353.88

As per our report of even date

For JDS & Co.

(ICAI Firm Reg. No.018400C)

Chartered Accountants

OP Singhania

Partner

Membership No.051909

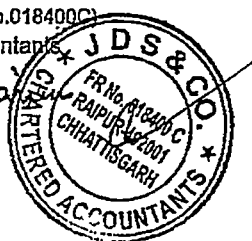
Raipur, 22nd June, 2022

For and on behalf of the Board of Directors of
Hira Steels LimitedAmit Agrawal
Director

DIN: 01075859

Sonam Agrawal
Company SecretaryArun Poddar
Director

DIN: 02992106

Rajesh Rajimwale
CFO

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Hira Steels Limited

Notes to financial statements for the year ended 31st March , 2022

1. Corporate Information

The company is mainly engaged in manufacturing of M.S. Bars (Round) in Coil, H.B. Wire and TMT Bars.

2. Basis of preparation

- i) The financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.
- iv) The Company's financial statements are presented in Indian Rupees and all values are rounded to the nearest lacs (₹ 00,000).

2.1 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of these financial results and concluded that no adjustment is required in these financial statements. The Company continues to monitor the future economic conditions.

2.2 Summary of significant accounting policies

a) 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 as on 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. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

b) Property, plant and equipment (PPE)

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is measured at :

- i) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

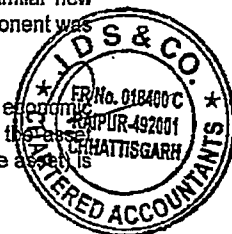
Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

- c) Depreciation on property, plant and equipment
- i) Depreciation is provided on Written Down Value Method based on the useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013.
 - ii) Depreciation on tangible fixed assets added/disposed off during the year is provided on pro-rata basis.
 - iii) Free-hold land, Leasehold land and site & land development cost are not depreciated.
- d) Investments :
- i) Long Term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term Investments.
 - ii) Current Investments are stated at lower of cost and fair value.
- e) Inventories :
- i) Inventories are valued at lower of cost and net realizable value.
 - ii) Cost of Raw Materials and stores & spares are computed on FIFO basis and cost of Finished Goods & Goods in Process are computed on Weighted average basis.
 - iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
 - iv) Proceeds in respect of sales/disposal of raw materials is credited to the raw material purchase account.
 - v) By-products are valued at net realisable value.
- f) Goods and Services Tax (GST)
- i) GST Credit relating to raw materials/components are debited under current assets for availing credit against GST and credited to respective materials/component account.
- g) 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.
- i) Sale of Products
Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Goods & Services Tax (GST) are not received by the company on its account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from the revenue.
 - ii) Interest
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
 - iii) Dividends
Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.



Hira Steels Limited**Notes to financial statements for the year ended 31st March, 2022****h) Borrowing Cost**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

i) Contingent Liabilities

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

j) Taxes on Income

Current Taxes are accounted based on provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence, in timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Except assets on which not recognised or those timing difference which reverse in Tax holiday period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

k) Foreign Currency Transactions

i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.

ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.

iii) Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at the rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

iv) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet. Any increase or reduction in these liabilities are booked to revenue.

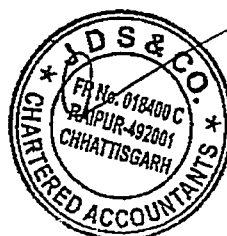
l) Retirement and other Employee Benefits

i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.

ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.

iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****m) Provisions**

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be 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.

n) Impairment of Tangible Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

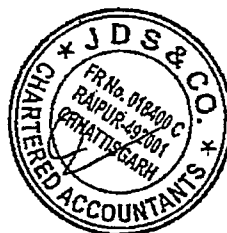
o) Cash and Cash equivalents

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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.



Hira Steels Limited

Notes to financial statements for the year ended 31st March, 2022

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
3. Share capital		
Authorised		
11750000 (11750000) Equity Shares of ₹ 10/- each	1,175.00	1,175.00
14400000 (14400000) Preference Shares of ₹ 10/- each	1,440.00	1,440.00
	<u>2,615.00</u>	<u>2,615.00</u>
Issued, subscribed and fully paid-up		
11265950 (11265950) Equity Shares of ₹ 10/- each fully paidup	1,126.60	1,126.60
Nil (12000000) 0.01% Non-Cumulative Participating Redeemable Preference Shares of ₹ 10/- each	-	1,200.00
1950000 (1950000) 0.01% Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of ₹ 10/- each	195.00	195.00
	<u>1,321.60</u>	<u>2,521.60</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	31.03.2022		31.03.2021	
	No.	₹ in Lacs.	No.	₹ in Lacs.
At the beginning of the period	11,265,950	1,126.60	11,265,950	1,126.60
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>11,265,950</u>	<u>1,126.60</u>	<u>11,265,950</u>	<u>1,126.60</u>

0.01% Non-Cumulative Participating Redeemable Preference Shares

	31.03.2022		31.03.2021	
	No.	₹ in Lacs.	No.	₹ in Lacs.
At the beginning of the period	12,000,000	1,200.00	12,000,000	1,200.00
Redeemed during the period	12,000,000	1,200.00	-	-
Outstanding at the end of the period	<u>-</u>	<u>-</u>	<u>12,000,000</u>	<u>1,200.00</u>

0.01% Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares

	31.03.2022		31.03.2021	
	No.	₹ in Lacs.	No.	₹ in Lacs.
At the beginning of the period	1,950,000	195.00	-	-
Issued during the period	-	-	1,950,000	195.00
Outstanding at the end of the period	<u>1,950,000</u>	<u>195.00</u>	<u>1,950,000</u>	<u>195.00</u>

b. Terms/rights attached to equity shares

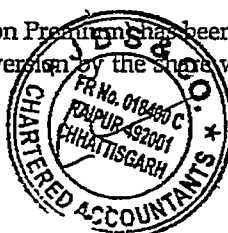
The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive 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.

c. Terms/rights attached to Non-Cumulative Participating Redeemable Preference Shares alongwith detachable share

The NCPaRePS of ₹ 10 each shall be redeemable at a premium of ₹ 66.42 each on maturity on 31.03.2038 with an option for early Redemption at a discount of 18% per annum after a period of one year from the date of allotment. The NCPaRePS shall also have participating right at the time of winding up on any surplus arising from disposal of all assets of the Company in excess of 20% per annum from 01.04.2018 compounded at annual rate each warrant of ₹ 32/-, however, the preference shareholders has opted early redemption of NCPaRePS as on 19.04.2021, therefore the company has redeemed NCPaRePS at a discount price of ₹ 3.98 per share and balance amount has been transferred into capital reserve.

Further, detachable share warrant of ₹ 32 (Option Premium) has been forfeited on expiry of 36 months from the date of issue due to non exercise of the option for conversion by the share warrant holder and the forfeited amount has been transferred to capital reserve.



Hira Steels Limited

Notes to financial statements for the year ended 31st March, 2022

d. Terms/rights attached to Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares

The NCNPOCRPS shall be redeemed at ₹ 100/- per NCNPOCRPS of ₹ 10/- per share including a premium of ₹ 90/- per share on or before expiry of 20 years from the date of allotment i.e. 26.03.2021 at the discretion of the Company.

The NCNPOCRPS holder may opt for conversion at any time after 3 years from the date of allotment at a price to be determined at time of conversion which shall be Fair Value of Equity Shares minus 10% as on the date of exercise of conversion. The conversion will be done within one month from the date of receipt of the option for conversion.

Dividend rate will be 0.01% p.a. (on the face value) which will remain fixed over the tenure of the NCNPOCRPS.

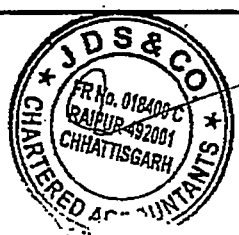
	31.03.2022		31.03.2021	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Godawari Power & Ispat Limited	1940100	17.22%	1940100	17.22%
Shri Jagdish Prasad Agrawal,	1411950	12.53%	1411950	12.53%
Shri Amit Agrawal	1122400	9.96%	1122400	9.96%
J.P. Agrawal, HUF	614000	5.45%	614000	5.45%
Ram Richhpal Agrawal HUF	1800000	15.98%	1800000	15.98%
Smt. Sita Devi Agrawal	1000000	8.88%	1000000	8.88%
Shri Alok Agrawal	810000	7.19%	810000	7.19%
Bhadravati Steel & Urja Limited	1460000	12.96%	1460000	12.96%
	10158450	90.17%	10158450	90.17%

	31.03.2022		31.03.2021	
	No.	% of holding in the class	No.	% of holding in the class
Non-Cumulative Participating Redeemable Preference Shares of ₹ 10/- each fully paid				
Shri Satpal Singh Bhatia	0.00	0.00%	12000000	100.00%
	0.00	0.00%	12000000	100.00%

	31.03.2022		31.03.2021	
	No.	% of holding in the class	No.	% of holding in the class
Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of ₹ 10/- each fully paid				
Jagdamba Power and Alloys Limited	1950000	100.00%	1950000	100.00%
	1950000	100.00%	1950000	100.00%

Shares held by promoters at 31 March 2022:

Promoter Name	No. of Shares	% of total shares	% Change during the year
Smt. Sita Devi Agrawal	1000000	8.88%	0.00%



Hira Steels Limited

Notes to financial statements for the year ended 31st March, 2022

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
4. Reserves and Surplus		
Capital Reserve		
Balance as per last financial statements	252.30	252.30
Addition during the year on forfeiture of share warrants (refer note 3 c)	3,840.00	-
Addition during the year on redemption of preference shares (refer note 3 c)	722.40	-
	<u>4,814.70</u>	<u>252.30</u>
Capital Redemption Reserve		
Balance as per last financial statements	-	-
Addition during the period	477.60	-
	<u>477.60</u>	<u>-</u>
Securities Premium		
Balance as per last financial statements	4,401.38	2,646.38
Addition during the period	-	1,755.00
	<u>4,401.38</u>	<u>4,401.38</u>
General Reserve		
Balance as per last financial statements	50.00	50.00
	<u>50.00</u>	<u>50.00</u>
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	475.88	330.85
Profit / (Loss) for the year	389.08	145.03
Transfer to capital redemption reserve	(477.60)	-
Net surplus in the statement of profit and loss	<u>387.36</u>	<u>475.88</u>
Total reserves and surplus	<u>10,131.04</u>	<u>5,179.55</u>

5. Long-term borrowings

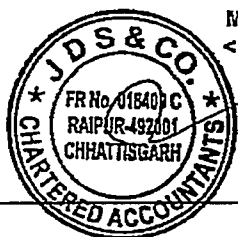
	Non-current portion		Current maturities	
	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
Term Loans				
Indian rupee loan from banks (secured)	320.46	517.91	187.57	181.80
Foreign currency loan from banks (secured)	2,857.87	-	-	-
	-	-	-	-
Other Loans and advances				
From Bank	3.22	7.70	4.48	4.08
	<u>3,181.56</u>	<u>525.61</u>	<u>192.05</u>	<u>185.88</u>
The above amount includes				
Secured borrowings	3,181.56	525.61		
Amount disclosed under the head				
"Short Term Borrowings" (refer note 8)			(192.05)	(185.88)
Net amount	<u>3,181.56</u>	<u>525.61</u>	<u>-</u>	<u>-</u>

a) The term loans aggregating to ₹ 508.03 lacs (Previous year ₹ 699.71 lacs) (including current maturities of ₹ 187.57 lacs (Previous year ₹ 181.80 lacs) classified as 'short term Borrowings' in note 8) are secured against hypothecation of entire current assets consisting of raw materials, finished Goods, stores & spares etc. (Present & Future); hypothecation of book debts (present & future) and second pari passu charge on the entire movable plant & machineries & immovable assets of the company.

b) The term loans converted into FCNR aggregating to ₹ 2857.87 lacs (Previous year ₹ Nil) (including current maturities of ₹ Nil lacs (Previous year Nil) are secured by first charge by way of equitable mortgage on freehold land located at village: Khirjithi Dist. Rajnandgaon. (C.G.) for the solar power plant and also first charge by way of hypothecation on fixed assets including building, structure, plant & machineries of the company at the solar power plant project and second charge on the fixed and movable assets of the company at its solar power plant project would be shared by other lenders. The aforesaid loan is further secured by personal guarantee of Shri Amit Agrawal and Shri Alok Agrawal promoter/director of the company.

c) Other loans and advances from bank is secured by hypothecation of vehicle.

	Maturity Profile (₹ in Lacs)			
	< 1 year	1-2 years	2-3 Years	> 3 years
Rupee Term Loans	187.57	187.57	132.89	-
Rupee Term Loans (Solar)	-	474.00	474.00	1,909.87
Other Loans & Advances	4.48	3.22	-	-



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

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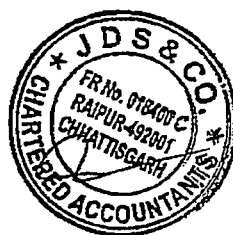
	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
6. Deferred Tax Liabilities/(Assets) (Net)		
Deferred Tax Liabilities		
PPE : Impact of difference between tax depreciation and depreciation charged for the financial reporting	147.68	167.70
	<u>147.68</u>	<u>167.70</u>
Deferred Tax Assets		
Carred forward unabsorbed depreciation/lossess	-	136.58
Impact of expenditure charged to the statement of profit & loss in current year but allow for tax purposes on payment basis	-	-
	<u>40.64</u>	<u>36.06</u>
Gross deferred tax assets	<u>40.64</u>	<u>172.64</u>
Net deferred tax Liabilities/(Assets)	<u>107.03</u>	<u>(4.94)</u>

	Long-term		Short-term	
	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
7. Provisions				
Provision for employee benefits				
Provision for gratuity (refer note 35)	120.03	101.88	13.33	13.25
	<u>120.03</u>	<u>101.88</u>	<u>13.33</u>	<u>13.25</u>

	31.03.2022 ₹	31.03.2021 ₹
8. Short-term borrowings		
Cash Credit from banks (secured)	4,209.79	2,121.06
Current Maturities of Long Term Borrowings (Refer Note-5)	192.05	185.88
Loans & Advances from related parties repayable on demand (refer note 29)	927.44	89.83
	<u>5,329.28</u>	<u>2,396.77</u>
The above amount includes		
Secured borrowings	4,401.84	2,306.94
Unsecured borrowings	927.44	89.83

Cash credit from banks is secured against Hypothecation of entire Current Assets consisting of raw materials, SIP, finished Goods, stores & spares etc. (Present & Future); Hypothecation of book Debts (Present & Future) and second pari passu charge on the entire movable plant & machineries & immovable assets of the company. The cash credit facility is repayable on demand.

The Company has working capital facilities from banks on the basis of security of current assets & submitting quarterly Financial Follow up Report as per the terms & conditions of sanction letters. There are no material discrepancies in the amount of current assets between Financial Follow Report and books of account.



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****9. Trade payables**

	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
- Outstanding dues to micro and small enterprises	-	-
- Outstanding dues of creditors other than micro and small enterprises	69.59	646.28
	69.59	646.28

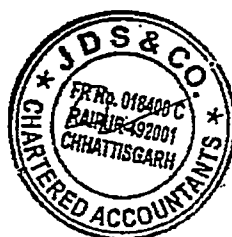
Trade payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2022				
	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	44.32	23.05	2.49	-	69.86
(ii) Disputed Dues-MSME	-	-	-	-	-
(ii) Disputed Dues-Others	-	-	-	-	-
Total	44.32	23.05	2.49	-	69.86

Particulars	Outstading for Following periods from due date of Payment as on 31.03.2021				
	< 1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	641.77	4.51	-	-	646.28
(ii) Disputed Dues-MSME	-	-	-	-	-
(ii) Disputed Dues-Others	-	-	-	-	-
Total	641.77	4.51	-	-	646.28

10. Other Current Liabilities

	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Interest accrued but not due	7.75	3.40
Advance from customers	66.68	124.86
GST payable	14.18	111.89
TDS & TCS payable	65.52	42.19
Provision for Expenses	3.63	3.78
Others	138.65	143.06
	296.41	429.18



Hira Steels Limited

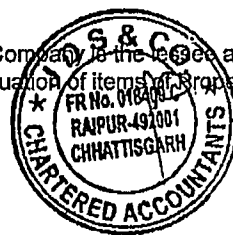
Notes to financial statements for the year ended 31st March , 2022

11. Property, plant and equipment

	Freehold Land ₹ in Lacs.	Leasehold Land ₹ in Lacs.	Site & Land Development ₹ in Lacs.	Factory Shed & Building ₹ in Lacs.	Plant & Machinery ₹ in Lacs.	Furniture & Fixtures ₹ in Lacs.	Vehicles ₹ in Lacs.	Total ₹ in Lacs.
Cost or valuation								
At 1 April 2020	23.91	5.47	10.58	614.34	5,734.65	8.82	133.79	6,531.55
Additions	344.66	-	-	-	52.52	-	-	397.19
Disposals	2.92	-	-	-	-	-	-	2.92
At 31 March, 2021	365.66	5.47	10.58	614.34	5,787.17	8.82	133.79	6,925.82
Additions	442.45	-	-	-	2.48	-	10.87	455.80
Disposals	-	-	-	-	6.22	-	36.13	42.35
At 31 st March, 2022	808.10	5.47	10.58	614.34	5,783.43	8.82	108.53	7,339.27
Depreciation								
At 1 April 2020	-	-	-	370.51	2,839.02	8.09	113.18	3,330.80
Charge for the year	-	-	-	24.21	418.99	0.09	5.20	448.50
Disposals	-	-	-	-	-	-	-	-
At 31 March, 2021	-	-	-	394.72	3,258.02	8.18	118.38	3,779.29
Charge for the year	-	-	-	21.75	362.25	0.07	5.37	389.43
Disposals	-	-	-	-	5.11	-	34.33	39.43
At 31 st March, 2022	-	-	-	416.47	3,615.16	8.24	89.42	4,129.29
Net Block								
At 31 March, 2021	365.66	5.47	10.58	219.62	2,529.15	0.64	15.61	3,146.53
At 31 st March, 2022	808.10	5.47	10.58	197.87	2,168.27	0.58	19.11	3,209.98

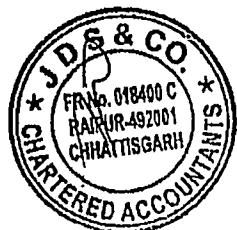
Note:

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself. Further, the company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered.



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****12. Intangible assets**

	Trademark ₹ in Lacs.	Software ₹ in Lacs.	Total ₹ in Lacs.
Cost or valuation			
At 1 April 2020	17.62	1.25	18.87
Purchase/Additions	-	-	-
Disposals	-	-	-
At 31 March, 2021	17.62	1.25	18.87
Purchase/Additions	-	-	-
Disposals	-	-	-
At 31 st March, 2022	17.62	1.25	18.87
Amortization			
At 1 April 2020	6.42	0.16	6.58
Charge for the year	3.52	0.25	3.77
Disposals	-	-	-
At 31 March, 2021	9.94	0.41	10.35
Charge for the year	3.52	0.25	3.77
Disposals	-	-	-
At 31 st March, 2022	13.47	0.66	14.13
Net Block			
At 31 March, 2021	7.67	0.84	8.51
At 31 st March, 2022	4.15	0.59	4.74



Hira Steels Limited

Notes to financial statements for the year ended 31st March , 2022

13. Capital Work in Progress

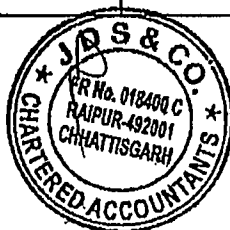
Particulars	At 1 April, 2020	Addition	Deduction	At 31 March, 2021	Addition	Deduction	At 31 March, 2022
Capital work in progress	394.73	135.28	-	530.01	3,340.15	-	3,870.16
	394.73	135.28	-	530.01	3,340.15	-	3,870.16

Details of Capital Work in Progress	Amount in CWIP for a period of 31.03.2022				Total `
Project in progress	< 1 year	1-2 years	2-3 years	> 3 years	
CWIP Wire Drawing Unit	30.13	122.78	392.32	2.41	547.65
CWIP Rolling Mill	17.91	12.50	-	-	30.41
CWIP Solar Division 15MW	3,292.10	-	-	-	3,292.10
					3,870.16

Details of Capital Work in Progress	Amount in CWIP for a period of 31.03.2021				Total `
Project in progress	< 1 year	1-2 years	2-3 years	> 3 years	
CWIP Wire Drawing Unit	122.78	392.32	2.41	-	517.51
CWIP Rolling Mill	12.50	-	-	-	12.50
					530.01

Details of CWIP whose completion is overdue or has exceeded its cost compared to its original plan, in this respect expected completion schedule are as follows:

Details of Capital Work in Progress	To be completed in			
	< 1 year	1-2 years	2-3 years	> 3 years
CWIP Wire Drawing Unit	547.65	-	-	-
CWIP Rolling Mill	30.41	-	-	-



Hira Steels Limited

Notes to financial statements for the year ended 31st March , 2022

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
14. Non-current investments		
(valued at cost)		
Unquoted equity instruments, fully Paid up		
50000 (P.Y. 50000) Equity Shares of ₹ 10/- each in Hira Ferro Alloys Limited	7.00	7.00
3750 (P.Y. Nil) Equity Shares of ₹ 10/- each in Hira CSR Foundation	0.38	-
	<u>7.38</u>	<u>7.00</u>

15. Loans and advances (unsecured, considered good)

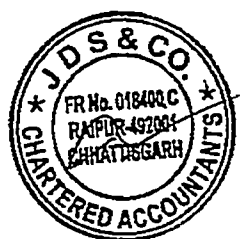
	Non-current		Current	
	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
Capital advances	1,159.61	12.44	-	-
Security deposit with govt. & others	9.25	5.72	-	-
Advances recoverable in cash or in kind	-	-	6,453.49	5,869.37
Other loans and advances	-	-	-	-
Advance income-tax (net of provision)	-	-	7.30	8.58
MAT Credit Entitlement	-	-	115.40	65.42
Prepaid expenses	6.90	11.22	32.28	23.43
Balance with Revenue authorities	-	-	148.78	118.16
Total	1,175.76	29.37	6,757.25	6,084.96

16. Other non-current assets

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
Unsecured, considered good unless stated otherwise		
Non-current bank balances (note-19)	37.66	230.60
Others		
Interest accrued on deposits	1.26	3.39
	<u>38.92</u>	<u>233.99</u>

17. Inventories (valued at lower of cost and net realizable value)

	31.03.2022 ₹ in Lacs.	31.03.2021 ₹ in Lacs.
Raw Materials and components (refer note 22)	786.40	1,025.02
Finished goods & by-products (refer note 23)	1,233.26	1,826.67
Stores & spares	664.45	682.99
	<u>2,684.11</u>	<u>3,534.68</u>



18. Trade receivables

Unsecured, considered good unless stated otherwise

Outstanding for a period exceeding six months from the date they are due for payment

Other receivables

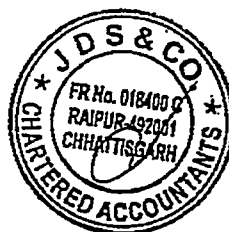
Total

31.03.2022	31.03.2021
₹ in Lacs.	₹ in Lacs.
188.84	314.17
-	-
2,510.25	1,406.07
2,699.09	1,720.24

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2022					
	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivalbes- Considered goods	2,510.25	14.14	20.59	7.26	5.81	2,558.05
(ii) Undisputed trade Receivalbes- Which have signifcat Increase In Credit Risk	-	-	-	-	-	-
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	141.04	141.04
(v) disputed trade Receivalbes- Which have signifcat increase In Credit Risk	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-

Particulars	Outstading for following periods from Due Date of Payment as on 31.03.2021					
	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed trade Receivalbes- Considered goods	1,406.07	60.72	28.84	3.99	79.58	1,579.20
(ii) Undisputed trade Receivalbes- Which have signifcat Increase in Credit Risk	-	-	-	-	-	-
(iii) Undisputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-
(iv) disputed trade Receivalbes- considered goods	-	-	-	-	141.04	141.04
(v) disputed trade Receivalbes- Which have signifcat increase in Credit Risk	-	-	-	-	-	-
(vi) disputed trade Receivalbes- Credit Impaired	-	-	-	-	-	-



Hira Steels Limited

Notes to financial statements for the year ended 31st March , 2022

	Non-Current		Current	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.	₹ in Lacs.	₹ in Lacs.
19. Cash and bank balances				
Cash and cash equivalents				
Balances with banks:				
On current accounts			103.39	341.11
Cash on hand			19.08	12.77
			<u>122.47</u>	<u>353.88</u>
Other bank balances				
Deposits with original maturity for more than 12 months	37.66	230.60		
	<u>37.66</u>	<u>230.60</u>	-	-
Amount disclosed under non-current assets (refer note 16)	<u>37.66</u>	<u>230.60</u>		
	<u>-</u>	<u>-</u>	<u>122</u>	<u>354</u>

20. Revenue from operations

Revenue from operations

Sale of products

Manufacturing Goods

Other operating revenue

Scrap sales

Sale of traded goods

Revenue from operations

31.03.2022

₹ in Lacs.

31.03.2021

₹ in Lacs.

75,024.21

52,270.89

-

-

2,023.56

1,541.47

979.87

1,244.84

78,027.64

55,057.20

Details of products sold

Sale of products

31.03.2022

₹ in Lacs.

31.03.2021

₹ in Lacs.

MS Bar

40,495.21

27,958.28

HB Wire

26,878.27

18,172.80

TMT Bar

7,650.73

6,139.81

75,024.21

52,270.89

Sale of traded goods

MS Wire

12.86

14.43

Imported Magnese Ore

519.47

1,230.41

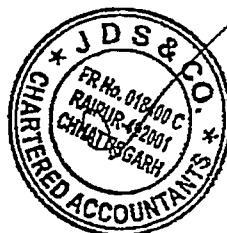
TMT

447.54

-

979.87

1,244.84



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

21. Other Income			
	31.03.2022	31.03.2021	
	₹ in Lacs.	₹ in Lacs.	
Interest Income on			
Bank Deposits	9.88	4.07	
Others	248.85	161.72	
Profit on sale of property, plant and equipment	-	74.57	
Other non-operating income (net of expenses directly attributable to such income)	18.09	20.29	
	276.82	260.65	
22. Cost of raw material and components consumed			
	31.03.2022	31.03.2021	
	₹ in Lacs.	₹ in Lacs.	
Inventory at the beginning of the year	1,025.02	497.51	
Add: purchases	72,186.90	48,498.26	
Less: Disposal of Raw Material	1,257.14	424.38	
	71,954.79	48,571.39	
Less : Inventory at the end of the year	786.40	1,025.02	
Cost of raw material and components consumed	71,168.38	47,546.36	
Details of raw material and components consumed	31.03.2022	31.03.2021	
	₹ in Lacs.	₹ in Lacs.	
Billets	71,162.08	47,396.54	
MS Round and HB Wire	6.30	149.82	
	71,168.38	47,546.36	
Details of Inventory	31.03.2022	31.03.2021	
	₹ in Lacs.	₹ in Lacs.	
Raw Material and Components			
Billets	786.40	1,025.02	
	786.40	1,025.02	
23. (Increase)/Decrease in Inventories			
	31.03.2022	31.03.2021	(Increase)/Decrease
	₹ in Lacs.	₹ in Lacs.	₹ in Lacs.
Inventories at the end of the year			2022
Finished goods	1,179.26	1,784.41	605.15
By-Products	54.00	42.26	(11.75)
	1,233.26	1,826.67	593.41
Inventories at the beginning of the year			2021
Finished goods	1,784.41	3,037.16	1,252.75
By-Products	42.26	49.02	6.77
	1,826.67	3,086.19	1,259.52
Net (Increase)/decrease in inventories	593.41	1,259.52	-
Details of Inventories	31.03.2022	31.03.2021	
	₹ in Lacs.	₹ in Lacs.	
Finished goods			
Ms Bar Round & Coils	247.00	483.66	
HB Wire	604.64	946.37	
TMT BAR	327.62	354.38	
	1,179.26	1,784.41	
By-Products			
Waste & Scrap	54.00	42.26	
	54.00	42.26	
Details of purchase of Traded Goods			
Imported Manganese Ore	505.68	1,202.01	
M.S.WIRE	8.76	11.32	
TMT BAR	425.97	-	
	940.42	1,213.33	



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

24. Employee benefits expense	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Salaries, wages and other benefits	456.26	361.05
Contribution to provident and other fund	35.39	27.43
Gratuity expense	20.31	5.02
Staff welfare expense	17.40	38.15
	529.36	431.64
25. Finance Costs	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Interest		
- on term loans	50.72	18.06
- on working capital	104.98	75.90
- on others	1.26	1.73
Bank charges	28.96	22.39
	185.93	118.07
26. Depreciation & amortization expense	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Depreciation on property, plant and equipment	389.43	448.50
Amortization of intangible assets	3.77	3.77
	393.20	452.27
27. Other Expenses	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Consumption of stores and spares	313.98	305.38
Power & Fuel	2,527.53	2,063.50
Other manufacturing expenses	93.71	104.40
Rates and taxes	6.76	1.49
Insurance	30.75	22.05
Repairs and maintenance	-	-
- Plant and machinery	42.23	90.63
- Buildings	3.23	11.40
- Others	1.84	0.53
Commission	-	-
- Other than Sole selling agents	129.89	102.94
Travelling and conveyance	9.71	5.88
Communication expenses	5.54	5.97
Printing and stationery	2.27	2.26
Legal and professional fees	22.74	14.80
Directors' remuneration	128.00	124.21
Payment to Auditor (Refer details below)	3.00	3.00
Security service charges	24.65	24.28
Sales promotion Expenses	42.13	66.55
Loss on sale of investments	-	6.05
Loss on sale of property, plant & equipment	0.38	-
Loss on scrapping of property, plant & equipment	1.12	-
Bad debts written off	107.24	-
Share issue expenses	-	2.18
Miscellaneous expenses	43.57	77.71
	3,540.29	3,035.22
Payment to Auditor	31.03.2022	31.03.2021
	₹ in Lacs.	₹ in Lacs.
Audit fee	2.65	2.65
Tax Audit fee	0.35	0.00
	3.00	2.65



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****28. Earnings per share (EPS)**

	2022 ₹ in Lacs.	2021 ₹ in Lacs.
Net profit/(loss) as per Statement of profit and loss	389.08	145.03
Net profit/(loss) for calculation of basic EPS & Diluted EPS	389.08	145.03
Weighted average number of equity shares in calculating Basic EPS	11265950.00	11265950.00
Weighted average number of equity shares in calculating Diluted EPS	13215950.00	23298005.00
Basic & Diluted EPS		
- Basic earning per share	3.45	1.29
- Diluted earning per share	2.94	0.62

29. Information on Related Party as required by Accounting Standard-18, "Related Party Disclosures" issued by The Institute of Chartered Accountants of India, are given below :**1) Related Parties****a) Other Related Party**

- Jagdamba Power & Alloys Ltd.
- Jagdamba Minerals

b) Key Management Personnel

- Mr.Amit Agrawal, Director
- Mr.Arun Poddar, Director (w.e.f. 30.09.2020)
- Mr.Ajay Ahluwalia, Director (upto 30.09.2020)
- Mr.Niket Khandelwal, Director
- Mr.Rajesh Kumar, Director
- Mr.Shruti Avinash Bajaj, Director
- Mr.Rajesh Rajimwale, CFO
- Ms. Sonam Agrawal, CS

c) Relatives of Key Management Personnel

- Mr.Jagdish Prasad Agrawal

	Nature of	2021-22	2020-21
(₹ in lacs)			
Other Related Party	1. Sale of Materials	36.94	62.15
	2. Purchase of PPE	-	21.85
	3. Advances Refunded	80.00	3,095.00
	4. Advances Received	80.00	3,095.00
	5. Accounts receivable/(payable)	-	(12.10)
Key Management Personnel	1. Remuneration Paid to KMP's	133.80	129.53
	2. Gratuity paid	-	4.50
	3. Loan received during the year	1,806.46	431.25
	4. Loan repaid during the year	968.84	1,243.40
	5. Closing Balance	927.44	89.83
Relatives of Key Management Personnel			
1. Salary Paid		6.00	6.00



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

<u>Nature of Transactions</u>	<u>2021-22</u>	<u>2020-21</u>
<u>a) Unsecured Loan received during the year</u>		
1. Amit Agrawal	1,806.46	431.25
<u>b) Repayment of unsecured loan taken</u>		
1. Amit Agrawal	968.84	1,243.40
<u>c) Closing Balance of Loans Received</u>		
1. Amit Agrawal	927.44	89.83
<u>d) Sale of Materials</u>		
1. Jagdamba Power & Alloys Limited	36.94	62.15
<u>e) Purchase of property, plant & equipment (PPE)</u>		
1. Jagdamba Power & Alloys Limited	-	21.85
<u>f) Advance received</u>		
1. Jagdamba Power & Alloys Limited	80.00	3,095.00
<u>g) Advance Refunded</u>		
1. Jagdamba Power & Alloys Limited	80.00	3,095.00
<u>h) Accounts receivable/(Payable)</u>		
1. Jagdamba Power & Alloys Limited	-	(12.10)
<u>i) Remunation Paid to KMP's</u>		
1. Mr.Amit Agrawal	120.00	120.00
2. Mr.Ajay Ahluwalia	-	4.21
3. Mr.Arun Poddar	8.00	-
4. Mr.Rajesh Rajimwale	4.80	4.32
5. Ms.Sonam Agrawal	1.00	1.00
<u>j) Gratuity paid to Directors</u>		
1. Mr.Ajay Ahluwalia	-	4.50
<u>k) Salary Paid</u>		
1. Mr.Jagdish Prasad Agrawal	6.00	6.00



Hira Steels Limited

Notes to financial statements for the year ended 31st March , 2022

30. The company operates in a single segment i.e. manufacturing of steel products, hence, there is only a single reportable segment.
31. The company has taken steps for getting the required informations but none of the suppliers has provided information about their being Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2022. Therefore no details could be disclosed as required.
32. In the opinion of the Board, the value of realisation of long term loans & advances and non-current and current assets in the ordinary course of business will not be less than the amount at which they are stated in the balance sheet.

	₹ In lacs	
33. Contingent Liabilities not provided for, are in respect of :-	2021-22	2020-21
1) Income Tax demand	123.26	123.26

In respect of above demands the company has preferred Appeals before higher authorities.

34. Capital Commitment

Estimated amount of Contracts remaining to be executed on Capital Account net of advance given Rs. 465.80 Lacs (PY Nil/-).

35. Gratuity and other post-employment benefit plans :

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/ termination/ resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of account on the basis of actuarial valuation as per the Projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the statement of profit and loss and the unfunded status and amounts recognized in the balance sheet for the Gratuity.



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****Statement of Profit and Loss****Net employee benefit expense (recognized in Employee Cost)**

	₹ in Lacs (Gratuity) 2022	₹ in Lacs (Gratuity) 2021
Current Service cost	10.73	9.10
Interest cost on benefit obligation	7.94	8.20
Expected return on plan assets	0.00	0.00
Net actuarial loss recognised in the year	1.63	(12.35)
Past service cost	0.00	0.00
Actual return on plan assets	20.31	4.95

Balance Sheet details of provision for Gratuity	2022	2021
Defined benefit obligation	133.35	115.13
Fair value of plan assets	0.00	0.00
	133.35	115.13
Less : Unrecognised past service cost	0.00	0.00
Plan liability	133.35	115.13

Changes in the present value of the defined benefit obligation are as follows :

	2022	2021
Defined benefit obligation as at beginning of the year	115.13	117.10
Interest cost	7.94	8.20
Current Service Cost	10.73	9.10
Benefits paid	(2.08)	(6.92)
Actuarial losses on obligation	1.63	(12.35)
Defined benefit obligation as at end of the year	133.35	115.13

Since the entire amount of plan obligation is unfunded therefore changes in the fair value of plan assets are not given. Further the entire amount of plan obligation is unfunded therefore categories of plan assets as a percentage of the fair value of total plan assets and Company's expected contribution to the plan assets in the next year is not given.

Since the company has adopted actuarial valuation of gratuity during the year hence the difference between the books and valuation report has been adjusted with revenue reserves being transitional period as per provisions of Accounting Standard-15(revised)

The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below :

	2022	2021
Discount Rate	7.10%	6.90%
Increase in Compensation cost	6.00%	6.00%
Expected average remaining working lives of employee (years)	23.87	23.99

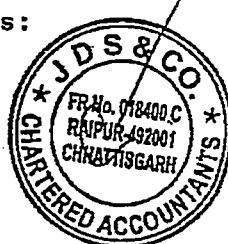
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Contribution to Defined Contribution Plans :

₹ in Lacs

Provident & Other Fund

2022	2021
27.08	20.65



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022****36. Financial Ratios**

Particulats	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance
1. Current Ratio The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients.	Current Assets	Current Liabilities	2.15	3.35	-35.97
2. Debt-Equity Ratio Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet.	Total Debt	Total Shareholders' Equity	0.76	0.46	63.14
3. Debt Service Coverage Ratio Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments.	Net Profit after taxes + depreciation and amortizations + Interest +loss/(profit) on sale of PPE etc.	Interest + Principal Repayments	2.57	2.11	21.69
4. Return on Equity Ratio It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders.	Net Profits after taxes	Average Shareholders' Equity	1.11%	2.71%	-59.09
5. Inventory turnover ratio This ratio also known as stock turnover ratio and it establishes the relationship between the cost of goods sold during the period or sales during the period and average inventory held during the period. It measures the efficiency with which a Company utilizes or manages its inventory.	Sales	Average Inventory	51.00	22.41	127.54
6. Trade Receivables turnover ratio It measures the efficiency at which the company is managing the receivables.	Net Sales	Average Trade Receivables	35.31	28.80	22.60



Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**

7. Trade payables turnover ratio It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors.	Net purchases	Average Trade payables	204.31	42.41	381.78
8. Net capital turnover ratio It indicates a company's effectiveness in using its working capital.	Net Sales	Working Capital	11.90	6.71	77.48
9. Net profit ratio It measures the relationship between net profit and sales of the business.	Net Profit	Net Sales	0.50%	0.26%	89.30
10. Return on Capital employed Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.	Earning before interest and taxes	Tangible Net Worth + Total Debt +/- Deferred Tax Assets / (Liabilities)	3.66%	3.46%	5.65

Note on variance in the ratio by more/less than 25% as compared to preceding year:

- i) Decrease in current ratio is on account of increase in current liabilities during the year.
- ii) Increase in debt equity ratio is mainly on account of increase in long term borrowings for solar power project.
- iii) Decrease in return on equity ratio is basically on account of increase in equity on forfeiture of share warrants.
- iv) Variance in inventory turnover ratio is basically on account of substantial decrease in average inventory as compared to previous year.
- v) Variance in trade payable turnover ratio is on account of substantial decrease in average trade payable during the year as compared to previous year.
- vi) Variance in net capital turnover ratio is basically on account of efficient utilization of working capital.
- vii) Variance in net profit turnover ratio is basically on account of higher profitability during the year.



37. During the year, the management has written off ₹ 412.30 lacs receivable on account of advances given for Iron Ore Supplies related to Goa. The board of directors have resolved to write off this advances during the year as in the opinion of the management the same is not recoverable.

38. Derivative instruments and unhedged foreign currency exposure :

	Currency	Buy / Sell	Purpose .	2022	2021
Derivatives outstanding as at the reporting date					
Forward contracts	USD	Buy	Hedging	1,919.92	-

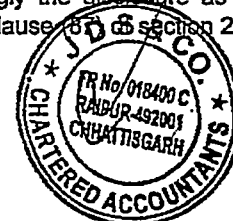
Particulars of unhedged foreign currency exposure as at the reporting date

There is no foreign currency exposures that are not hedged by derivative instrument or otherwise.

39. Imported and Indigenous Raw Materials, Components, Spares parts and Expenditure Consumed

a) RAW MATERIAL CONSUMED.	2022		2021	
	%	₹ in Lacs	%	₹ in Lacs
Imported	0.00%	0.00	0.00%	0.00
Indigenous	100.00%	71168.38	100.00%	47546.36
	100.00%	71168.38	100.00%	47546.36
b) STORES & SPARES CONSUMED				
	%	₹ in Lacs	%	₹ in Lacs
Imported	0.00%	0.00	0.00%	0.00
Indigenous	100.00%	313.98	100.00%	305.38
	100.00%	313.98	100.00%	305.38
c) Value of Import on CIF basis		505.68		1202.01
d) Expenditure in Foreign Currency		1.61		5.98
e) Earning in Foreign Exchange		0.00		0.00

40. No proceedings have 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.
41. None of the banks, financial institutions or other lenders from whom the company has borrowed funds has declared the company as a wilful defaulter at any time during the current year or in previous year.
42. All the charges or satisfaction of which is required to be registered with Registrar of Companies(ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act 2013 and rules made thereunder.
43. The company has not undertaken any transactions with companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956 during the current year or in previous year.
44. The Company has not made any loans or advances in the nature of loans to Promoters, Directors, KMP's and the related parties which are outstanding as at the end of the current year and previous year.
45. All the transactions are recorded in the books of accounts and there was no income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also there was no previously unrecorded income and related assets which has been recorded in the books of account during the year.
46. The company does not have investment in subsidiary companies and accordingly the disclosure as to whether the company has complied with the number of layers of companies prescribed under clause 80 of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

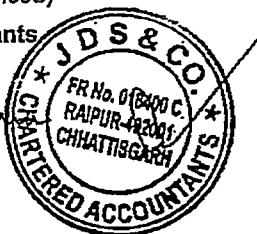


Hira Steels Limited**Notes to financial statements for the year ended 31st March , 2022**


47. No scheme of compromise or arrangement has been proposed between the company & its members or the company & its creditors under section 230 of the Companies Act 2013 ("The Act") and accordingly the disclosure as to whether the scheme of compromise or arrangement has been approved or not by the competent authority in terms of provisions of sections 230 to 237 of the Act is not applicable.
48. The company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall 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 to or on behalf of the Ultimate Beneficiaries. Further, the company has not received any fund from any persons or entities, including foreign entities (Funding Party) 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 Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
49. The company has neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.
50. Previous year figures have been recast/regrouped/restated/rearranged wherever necessary.


For JDS & Co.
(ICAI Firm Reg. No.018400C)
Chartered Accountants

OP Singhanla
Partner
Membership No.051909



For and on behalf of the Board of Directors of
Hira Steels Limited


Amit Agrawal
Director
DIN: 01075859


Arun Poddar
Director
DIN: 02992106


Sonam Agrawal
Company Secretary


Rajesh Rajimwale
CFO

Raipur, 22nd June, 2022

JDS & Co

CHARTERED ACCOUNTANTS

6-CENTRAL AVENUE, CHOUBE COLONY,

RAIPUR - 492001 (C.G.),

PHONE: 0771 - 4041236;

E-mail: jdsco.raipur@gmail.com

Independent Auditor's Review Report on the Unaudited Financial Statements of the Company for the period ended 31st July' 2022

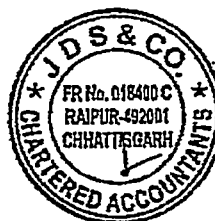
We have reviewed the accompanying Unaudited Financial Statements of Hira Steels Limited ("the Company"), which comprise the unaudited balance sheet as at 31st July, 2022, the unaudited statement of profit and loss for the period ended July 31, 2022 alongwith significant accounting policies and notes to the unaudited interim financial statements (the "Statement") attached herewith.

The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under section 133 of the Companies Act, 2013 ("the Act") as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain a moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards ('AS') prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting principles and policies generally accepted in India including the manner in which it is to be disclosed, or that it contains any material misstatement.

The report has been prepared only for the Board of Directors of the Company for the purpose of submission before NCLT in respect of proposed scheme of amalgamation of Jagdamba Power & Alloys Limited with Hira Steels Limited. We do not accept or assume responsibility for any other purpose except as expressly agreed by our prior consent in writing.



Place : Raipur
Date : 15.09.2022

For JDS & Co.
(ICAI Regn. No.018400C)
Chartered Accountants


(Sanjay Kumar Dewangan)
Partner

Membership No. 409524

UDIN: 22409524ATDYYD8844

Hira Steels Limited
Unaudited Balance Sheet as at 31st July ,2022


Particulars	Notes	31.07.2022 ₹	31.03.2022 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	10,55,83,500	13,21,59,500
Reserves and surplus	4	101,01,59,948	1,01,31,03,745
		<u>111,57,43,448</u>	<u>1,14,52,63,245</u>
Non-current liabilities			
Long-term borrowings	5	32,48,93,656	31,81,55,552
Deferred Tax Liabilities	6	1,00,18,393	1,07,03,487
Long-term provisions	7	1,33,35,558	1,20,02,693
		<u>34,82,47,607</u>	<u>34,08,61,732</u>
Current liabilities			
Short-term borrowings	8	29,93,21,523	53,29,28,119
Trade payables	9	-	-
- Outstanding dues to micro and small enterprises		-	-
- Outstanding dues of creditors other than micro and small enterprises		14,58,79,053	69,58,737
Other current liabilities	10	7,34,74,776	2,96,41,085
Short-term provisions	7	1,53,41,623	13,32,865
		<u>53,40,16,975</u>	<u>57,08,60,806</u>
TOTAL		<u>199,80,08,030</u>	<u>2,05,69,85,783</u>
ASSETS			
Non-current assets			
Property, plant and equipment	11	32,75,09,305	32,09,97,951
Intangible Assets	12	3,47,825	4,73,943
Capital work-in-progress	13	53,29,62,041	38,70,16,276
Non-current investments	14	1,32,37,500	7,37,500
Long-term loans and advances	15	1,42,13,944	11,66,50,947
Other non-current assets	16	2,91,00,344	48,17,010
		<u>91,73,70,958</u>	<u>83,06,93,627</u>
Current assets			
Inventories	17	22,41,14,579	26,84,11,484
Trade receivables	18	24,67,13,827	26,99,08,622
Cash & bank balances	19	17,89,730	1,22,47,380
Short-term loans and advances	15	60,80,18,936	67,57,24,670
		<u>108,06,37,072</u>	<u>1,22,62,92,156</u>
TOTAL		<u>199,80,08,030</u>	<u>2,05,69,85,783</u>
Summary of significant accounting policies	2.1		

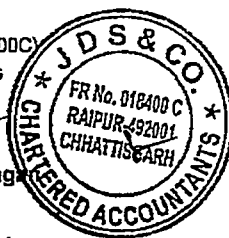
The accompanying notes are integral part of the financial statements.

As per our report of even date

For JDS & Co.

(ICAI Firm Reg. No.018400C)
Chartered Accountants


Sanjay Kumar Dewang
Partner
Membership No.409524




For and on behalf of the Board of Directors of
Hira Steels Limited


Amit Agrawal

Director

DIN: 01075859


Sonam Agrawal
Company Secretary


Arun Poddar

Director

DIN: 02992106


Rajesh Rajimwale
CFO

Place: Raipur

Date : 15.09.2022

Hira Steels Limited**Unaudited Statement of Profit & Loss for the period ended 31st July, 2022**

	Notes	31.07.2022 ₹	31.03.2022 ₹
INCOME			
Revenue from operations	20	3,07,99,65,923	7,80,27,63,551
Other Income	21	1,83,60,167	2,76,82,493
TOTAL REVENUE (I)		3,09,83,26,090	7,83,04,46,044
EXPENDITURE			
Cost of raw material and component consumed	22	2,71,62,77,499	7,11,68,38,326
Purchase of Traded Goods	23	6,78,80,651	9,40,41,724
(Increase)/decrease in inventories of finished goods	23	7,64,06,672	5,93,40,521
Employee benefits expense	24	1,97,51,491	5,29,35,542
Finance costs	25	75,33,994	1,85,93,051
Depreciation & amortization expense	26	1,21,91,282	3,93,20,135
Other Expenses	27	11,31,28,494	35,40,29,062
TOTAL EXPENDITURE (II)		3,01,31,70,082	7,73,50,98,361
Profit/(Loss) before exceptional items and tax		8,51,56,007	9,53,47,683
Less: Exceptional items		-	4,12,01,305
Profit/(Loss) before tax		8,51,56,007	5,41,46,378
Tax expenses			
Current tax		2,35,24,336	90,38,114
MAT Credit Entitlement		-	(49,97,430)
Deferred Tax		(6,85,094)	1,11,97,393
Total tax expenses		2,28,39,242	1,52,38,077
Profit/(loss) for the period from continuing operations		6,23,16,765	3,89,08,301
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2022 ₹ 10/-)]	28		
Basic		7.24	3.45
Diluted		5.90	1.67
Summary of significant accounting policies	2.1		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For JDS & Co.

(ICAI Firm Reg. No.018400C)
Chartered Accountants

Sanjay
Sanjay Kumar Dewangan
Partner
Membership No.409524



For and on behalf of the Board of Directors of Hira Steels Limited

Amit Agrawal
Amit Agrawal
Director
DIN: 01075859

Arun Poddar
Arun Poddar
Director
DIN: 02992106

Place: Raipur
Date: 15.09.2022

Sonam Agrawal
Sonam Agrawal
Company Secretary

Rajesh Rajimwale
Rajesh Rajimwale
CFO

Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022****1. Corporate Information**

The company is mainly engaged in manufacturing of M.S. Bars (Round) In Coll, H.B. Wire and TMT Bars:

2. Basis of preparation

- i) The interim financial statements are prepared in accordance with the generally accepted accounting principles under the historical cost convention, on going concern concept and in compliance with the accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii) The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis except those with significant uncertainties.
- iii) The accounting policies have been consistently applied by the Company are consistent with those used in the previous year.

2.1 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of these financial results and concluded that no adjustment is required in these financial statements. The Company continues to monitor the future economic conditions.

2.2 Summary of significant accounting policies**a) 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 as on 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. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

b) Property, plant and equipment (PPE)

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is measured at :

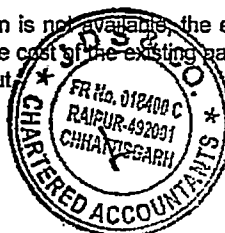
- i) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- iii) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.

If the cost of the replaced part or earlier inspection is not available, the estimated cost of similar new parts/ inspection is used as an indication of what the cost of the existing part/ inspection component was when the item was acquired or inspection carried out.



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

c) Depreciation on property, plant and equipment

- i) Depreciation is provided on Written Down Value Method based on the useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013.
- ii) Depreciation on tangible fixed assets added/disposed off during the year is provided on pro-rata basis.
- iii) Free-hold land, Leasehold land and site & land development cost are not depreciated.

d) Investments :

- i) Long Term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of long term investments.
- ii) Current Investments are stated at lower of cost and fair value.

e) Inventories :

- i) Inventories are valued at lower of cost and net realizable value.
- ii) Cost of Raw Materials and stores & spares are computed on FIFO basis and cost of Finished Goods & Goods in Process are computed on Weighted average basis.
- iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) Proceeds in respect of sales/disposal of raw materials is credited to the raw material purchase account.
- v) By-products are valued at net realisable value.

f) Goods and Services Tax (GST)

- i) GST Credit relating to raw materials/components are debited under current assets for availing credit against GST and credited to respective materials/component account.

g) 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.

i) Sale of Products

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Goods & Services Tax (GST) are not received by the company on its account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from the revenue.

ii) Interest

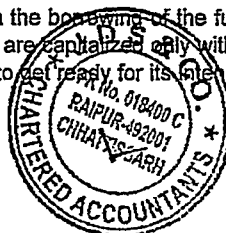
Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

h) Borrowing Cost

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of fixed assets are capitalized only with respect to qualifying fixed assets i.e. those which take substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July , 2022****i) Contingent Liabilities**

Liabilities which are material and whose future outcome cannot be reasonably ascertained are treated as contingent and not provided for and disclosed by way of notes to the accounts.

j) Taxes on Income

Current Taxes are accounted based on provisions of Income Tax Act, 1961.

Deferred Tax is recognized, subject to the consideration of prudence, in timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Except assets on which not recognised or those timing difference which reverse in Tax holiday period.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

k) Foreign Currency Transactions

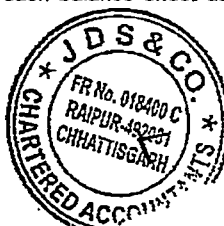
- i) Foreign currency transactions are recorded in the reporting currency, by applying the exchange rate prevailing as on the date of transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non-monetary items which are carried in terms of historical cost denominating in a foreign currency are reported using the exchange rate at the date of transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values are determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at the rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.
- iv) All loans and deferred credits repayable in foreign currency and outstanding at the close of the year are expressed in Indian currency at the appropriate rates of exchange prevailing as on the date of the balance sheet. Any increase or reduction in these liabilities are booked to revenue.

l) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contributions payable to the respective funds.
- ii) Gratuity Liability is defined benefit obligations and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.
- iii) Value of encashable leave are encashed during the year and charged to the statement of Profit & Loss.
- iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

m) Provisions

Provisions are recognised, where the company has any legal or constructive obligation or where reliable estimate can be made for the amount of the obligation and as a result of past events, for which it is probable that an outflow of economic benefits will be 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.



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022****n) Impairment of Tangible Assets**

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its estimated recoverable amount and the amount of such impairment loss is charged to statement of profit & loss. If at the balance sheet date there is an indication that previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

o) Cash and Cash equivalents

Cash and Cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.

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.



Hira Steels Limited

Notes to unaudited interim financial statements for the period ended 31st July, 2022

	31.07.2022 ₹	31.03.2022 ₹
3. Share capital		
Authorised		
11750000 (11750000) Equity Shares of ₹ 10/- each	11,75,00,000	11,75,00,000
14400000 (14400000) Preference Shares of ₹ 10/- each	14,40,00,000	14,40,00,000
	<u>26,15,00,000</u>	<u>26,15,00,000</u>
Issued, subscribed and fully paid-up		
8608350 (11265950) Equity Shares of ₹ 10/- each fully paidup	8,60,83,500	11,26,59,500
1950000 (1950000) 0.01% Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of ₹ 10/- each	1,95,00,000	1,95,00,000
	<u>10,55,83,500</u>	<u>13,21,59,500</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**Equity shares**

	31.07.2022		31.03.2022	
	No.	₹	No.	₹
At the beginning of the period	1,12,65,950	11,26,59,500	1,12,65,950	11,26,59,500
Buyback During The Year	(26,57,600)	(2,65,76,000)	-	-
Outstanding at the end of the period	<u>86,08,350</u>	<u>8,60,83,500</u>	<u>1,12,65,950</u>	<u>11,26,59,500</u>

0.01% Non-Cumulative Participating Redeemable Preference Shares

	31.07.2022		31.03.2022	
	No.	₹	No.	₹
At the beginning of the period	-	-	1,20,00,000	12,00,00,000
Redeemed during the period	-	-	1,20,00,000	12,00,00,000
Outstanding at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

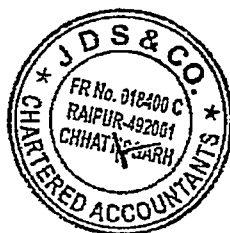
0.01% Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares

	31.07.2022		31.03.2022	
	No.	₹	No.	₹
At the beginning of the period	19,50,000	1,95,00,000	19,50,000	1,95,00,000
Issued during the period	-	-	-	-
Outstanding at the end of the period	<u>19,50,000</u>	<u>1,95,00,000</u>	<u>19,50,000</u>	<u>1,95,00,000</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of the equity shares will be entitled to receive 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.



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022****c. Terms/rights attached to Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares**

The NCNPOCRPS shall be redeemed at ₹ 100/- per NCNPOCRPS of ₹ 10/- per share including a premium of ₹ 90/- per share on or before expiry of 20 years from the date of allotment i.e. 26.03.2021 at the discretion of the Company.

The NCNPOCRPS holder may opt for conversion at any time after 3 years from the date of allotment at a price to be determined at time of conversion which shall be Fair Value of Equity Shares minus 10% as on the date of exercise of conversion. The conversion will be done within one month from the date of receipt of the option for conversion.

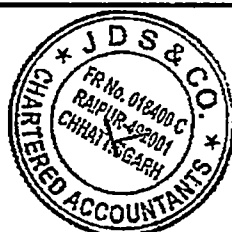
Dividend rate will be 0.01% p.a. (on the face value) which will remain fixed over the tenure of the NCNPOCRPS.

	31.07.2022		31.03.2022	
	No.	% of holding in the class	No.	% of holding in the class
d. Equity shares of ₹ 10/- each fully paid				
Godawari Power & Ispat Limited	-	0.00%	19,40,100	17.22%
Shri Jagdish Prasad Agrawal,	32,11,950	37.31%	14,11,950	12.53%
Shri Amit Agrawal	11,22,400	13.04%	11,22,400	9.96%
J.P. Agrawal, HUF	6,14,000	7.13%	6,14,000	5.45%
Ram Richhpal Agrawal HUF	-	0.00%	18,00,000	15.98%
Smt. Sita Devi Agrawal	10,00,000	11.62%	10,00,000	8.88%
Shri Alok Agrawal	8,10,000	9.41%	8,10,000	7.19%
Bhadravati Steel & Urja Limited	14,60,000	16.96%	14,60,000	12.96%
	82,18,350	95.47%	1,01,58,450	90.17%

	31.07.2022		31.03.2022	
	No.	% of holding in the class	No.	% of holding in the class
e. Non-Cumulative Non Participating Optionally Convertible & Redeemable Preference Shares of ₹ 10/- each fully paid				
Jagdamba Power and Alloys Limited	1950000	100.00%	1950000	100.00%
	1950000	100.00%	1950000	100.00%

f. Shares held by promoters at 31 July 2022:

Promoter Name	No. of Shares	% of total shares	% Change during the year
Smt. Sita Devi Agrawal	1000000	11.62%	2.74%



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

	31.07.2022	31.03.2022
	₹	₹
4. Reserves and Surplus		
Capital Reserve		
Balance as per last financial statements	48,14,70,000	2,52,30,000
Addition during the year on forfeiture of share warrants	-	38,40,00,000
Addition during the year on redemption of preference shares	-	7,22,40,000
	48,14,70,000	48,14,70,000
Capital Redemption Reserve		
Balance as per last financial statements	4,77,60,000	-
Addition during the period	2,65,76,000	4,77,60,000
	7,43,36,000	4,77,60,000
Securities Premium		
Balance as per last financial statements	44,01,37,500	44,01,37,500
Utilized on buy back of shares	(5,31,52,000)	-
	38,69,85,500	44,01,37,500
General Reserve		
Balance as per last financial statements	50,00,000	50,00,000
	50,00,000	50,00,000
Surplus/(deficit) in the statement of profit and loss		
Balance as per last financial statements	3,87,36,245	4,75,87,944
Profit / (Loss) for the year	6,23,16,765	3,89,08,301
Tax expense on Buyback of shares	(1,21,08,562)	-
Transfer to capital redemption reserve	(2,65,76,000)	(4,77,60,000)
Net surplus in the statement of profit and loss	6,23,68,448	3,87,36,245
Total reserves and surplus	1,01,01,59,948	1,01,31,03,745

5. Long-term borrowings

	Non-current portion		Current maturities	
	31.07.2022	31.03.2022	31.07.2022	31.03.2022
	₹	₹	₹	₹
Term Loans				
Indian rupee loan from banks (secured)	2,57,61,845	3,20,46,123	1,87,57,332	1,87,57,332
Foreign currency loan from banks (secured)	29,10,03,935	28,57,87,422	1,58,00,000	-
Other Loans and advances				
From Bank	81,27,876	3,22,007	22,16,220	4,47,662
	32,48,93,656	31,81,55,552	3,67,73,552	1,92,04,994
The above amount includes				
Secured borrowings	32,48,93,656	31,81,55,552		
Amount disclosed under the head				
"Short Term Borrowings" (refer note 8)			(3,67,73,552)	(1,92,04,994)
Net amount	32,48,93,656	31,81,55,552	-	-



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

	31.07.2022 ₹	31.03.2022 ₹
6. Deferred Tax Liabilities/(Assets) (Net)		
Deferred Tax Liabilities		
PPE : Impact of difference between tax depreciation and depreciation charged for the financial reporting	1,41,85,579	1,47,67,546
	<u>1,41,85,579</u>	<u>1,47,67,546</u>
Deferred Tax Assets		
Impact of expenditure charged to the statement of profit & loss in current year but allow for tax purposes on payment basis	41,67,186	40,64,059
Gross deferred tax assets	<u>41,67,186</u>	<u>40,64,059</u>
Net deferred tax Liabilities/(Assets)	<u>1,00,18,393</u>	<u>1,07,03,487</u>

	Long-term		Short-term	
	31.07.2022 ₹	31.03.2022 ₹	31.07.2022 ₹	31.03.2022 ₹
7. Provisions				
Provision for employee benefits				
Provision for gratuity	1,33,35,558	1,20,02,693	11,27,382	13,32,865
	<u>1,33,35,558</u>	<u>1,20,02,693</u>	<u>11,27,382</u>	<u>13,32,865</u>
Other Provisions				
Provision for taxation (net of advance)	-	-	1,42,14,241	-
	<u>-</u>	<u>-</u>	<u>1,42,14,241</u>	<u>-</u>
	<u>1,33,35,558</u>	<u>1,20,02,693</u>	<u>1,53,41,623</u>	<u>13,32,865</u>

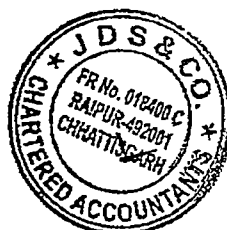
	31.07.2022 ₹	31.03.2022 ₹
8. Short-term borrowings		
Cash Credit facilities from banks (secured)	11,24,70,923	42,09,78,675
Current Maturities of Long Term Borrowings (Refer Note-5)	3,67,73,552	1,92,04,994
Loans & Advances from related parties repayable on demand	15,00,77,048	9,27,44,450
	<u>29,93,21,523</u>	<u>53,29,28,119</u>
The above amount includes		
Secured borrowings	14,92,44,475	44,01,83,669
Unsecured borrowings	15,00,77,048	9,27,44,450

Cash credit from banks is secured against Hypothecation of entire Current Assets consisting of raw materials, SIP, finished Goods, stores & spares etc. (Present & Future); Hypothecation of book Debts (Present & Future) and second pari passu charge on the entire movable plant & machineries & immovable assets of the company. The cash credit facility is repayable on demand.

	31.07.2022 ₹	31.03.2022 ₹
9. Trade payables		
- Outstanding dues to micro and small enterprises	-	-
- Outstanding dues of creditors other than micro and small enterprises	14,58,79,053	69,58,737
	<u>14,58,79,053</u>	<u>69,58,737</u>

10. Other Current Liabilities

	31.07.2022 ₹	31.03.2022 ₹
Interest accrued but not due	2,31,077	7,75,325
Advance from customers	2,99,97,865	66,67,621
GST payable	2,43,569	14,18,059
TDS & TCS payable	37,09,347	65,51,999
Provision for Expenses	1,76,27,008	3,63,217
Others	<u>2,16,65,910</u>	<u>1,38,64,865</u>
	<u>7,34,74,776</u>	<u>2,96,41,085</u>

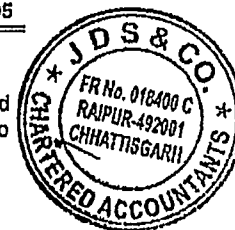


Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July , 2022****11. Property, plant and equipment**

	Freehold Land ₹	Leasehold Land ₹	Site & Land Development ₹	Factory Shed & Building ₹	Plant & Machinery ₹	Furniture & Fixtures ₹	Vehicles ₹	Total ₹
Cost or valuation								
At 1 April 2021	3,65,65,825	5,46,762	10,58,440	6,14,33,745	57,87,16,972	8,81,744	1,33,78,692	69,25,82,180
Additions	4,42,44,617	-	-	-	2,47,884	-	10,87,180	4,55,79,681
Disposals	-	-	-	-	6,22,340	-	36,12,927	42,35,267
At 31 March, 2022	8,08,10,442	5,46,762	10,58,440	6,14,33,745	57,83,42,516	8,81,744	1,08,52,945	73,39,26,594
Additions	20,59,844	-	-	-	47,59,075	-	1,19,66,054	1,87,84,973
Disposals	-	-	-	-	-	-	2,08,455	2,08,455
At 31 st July , 2022	8,28,70,286	5,46,762	10,58,440	6,14,33,745	58,31,01,591	8,81,744	2,26,10,544	75,25,03,112
Depreciation								
At 1 April 2021	-	-	-	3,94,71,788	32,58,01,820	8,17,607	1,18,37,906	37,79,29,121
Charge for the year	-	-	-	21,74,939	3,62,24,667	6,552	5,36,657	3,89,42,815
Disposals	-	-	-	-	5,10,768	-	34,32,525	39,43,293
At 31 March, 2022	-	-	-	4,16,46,727	36,15,15,719	8,24,159	89,42,038	41,29,28,643
Charge for the year	-	-	-	6,53,472	1,04,50,336	1,623	9,59,734	1,20,65,165
Disposals	-	-	-	-	-	-	-	-
At 31 st July , 2022	-	-	-	4,23,00,199	37,19,66,055	8,25,782	99,01,772	42,49,93,807
Net Block								
At 31 March, 2022	8,08,10,442	5,46,762	10,58,440	1,97,87,018	21,68,26,797	57,585	19,10,908	32,09,97,951
At 31 st July , 2022	8,28,70,286	5,46,762	10,58,440	1,91,33,546	21,11,35,536	55,962	1,27,08,772	32,75,09,305

Note:

The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company itself. Further, the company has not carried out revaluation of items of Property, Plant & Equipment during the year and accordingly the disclosure as to whether the revaluation is based on the valuation by a registered.



Hira Steels Limited

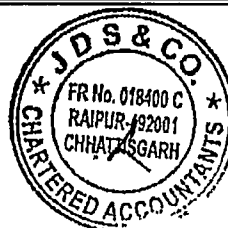
Notes to unaudited interim financial statements for the period ended 31st July , 2022

12. Intangible assets

	Trademark ₹	Software ₹	Total ₹
Cost or valuation			
At 1 April 2021	17,61,601	1,25,000	18,86,601
Purchase/Additions	-	-	-
Disposals	-	-	-
At 31 March, 2022	17,61,601	1,25,000	18,86,601
Purchase/Additions	-	-	-
Disposals	-	-	-
At 31 st July , 2022	17,61,601	1,25,000	18,86,601
Amortization			
At 1 April 2021	9,94,218	41,120	10,35,338
Charge for the year	3,52,320	25,000	3,77,320
Disposals	-	-	-
At 31 March, 2022	13,46,538	66,120	14,12,658
Charge for the year	1,17,762	8,356	1,26,118
Disposals	-	-	-
At 31 st July , 2022	14,64,300	74,476	15,38,776
Net Block			
At 31 March, 2022	4,15,063	58,880	4,73,943
At 31 st July , 2022	2,97,301	50,524	3,47,825

13. Capital Work in Progress

Particulars	At 1 April, 2021	Addition	Deduction	At 31 March, 2022	Addition	Deduction	At 31 July, 2022
Capital work in progress	5,30,01,262	33,40,15,014	-	38,70,16,276	14,59,45,765	-	53,29,62,041
	5,30,01,262	33,40,15,014	-	38,70,16,276	14,59,45,765	-	53,29,62,041



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022****14. Non-current investments**

(valued at cost)

Unquoted equity instruments, fully Paid up

NIL (P.Y. 50000) Equity Shares of ₹ 10/- each in Hira Ferro Alloys Limited

1320000 (P.Y. NIL) Equity Shares of ₹ 10/- each in Jyotsna Green Products Pvt. Ltd

3750 (P.Y. 3750) Equity Shares of ₹ 10/- each in Hira CSR Foundation

31.07.2022	31.03.2022
₹	₹
-	7,00,000
1,32,00,000	-
37,500	37,500
1,32,37,500	7,37,500

15. Loans and advances (unsecured, considered good)

	Non-current		Current	
	31.07.2022	31.03.2022	31.07.2022	31.03.2022
	₹	₹	₹	₹
Capital advances	1,38,94,680	11,59,61,246	-	-
Advances recoverable in cash or in kind	-	-	57,30,92,611	64,53,48,623
Other loans and advances				
Advance income-tax (net of provision)	-	-	-	7,30,106
MAT Credit Entitlement	-	-	22,29,532	1,15,39,627
Prepaid expenses	3,19,264	6,89,701	7,39,416	32,28,049
Balance with Revenue authorities	-	-	3,19,57,377	1,48,78,265
Total	1,42,13,944	11,66,50,947	60,80,18,936	67,57,24,670

16. Other non-current assets

	31.07.2022	31.03.2022
	₹	₹
Unsecured, considered good unless stated otherwise		
Non-current bank balances (note-19)	38,06,927	37,65,732
Others		
Security deposit with govt. & others	2,51,80,428	9,25,479
Interest accrued on deposits	1,12,989	1,25,799
	2,91,00,344	48,17,010

17. Inventories (valued at lower of cost and net realizable value)

	31.07.2022	31.03.2022
	₹	₹
Raw Materials and components (refer note 22)	12,75,47,951	7,86,40,318
Finished goods & by-products (refer note 23)	4,69,19,391	12,33,26,063
Stores & spares	4,96,47,237	6,64,45,103
	22,41,14,579	26,84,11,484

18. Trade receivables

	31.07.2022	31.03.2022
	₹	₹
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	1,86,98,383	1,88,83,864
Other receivables	22,80,15,444	25,10,24,758
Total	24,67,13,827	26,99,08,622



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

	Non-Current		Current	
	31.07.2022	31.03.2022	31.07.2022	31.03.2022
19. Cash and bank balances				
Cash and cash equivalents	₹	₹	₹	₹
Balances with banks:				
On current accounts			3,39,313	1,03,39,313
Cash on hand			14,50,417	19,08,067
			17,89,730	1,22,47,380
Other bank balances				
Deposits with original maturity for more than 12 months	38,06,927	37,65,732	-	-
	38,06,927	37,65,732	-	-
Amount disclosed under non-current assets (refer note 16)	38,06,927	37,65,732		
	-	-	17,89,730	1,22,47,380

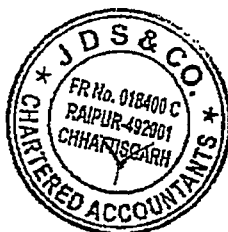
20. Revenue from operations

	31.07.2022	31.03.2022
	₹	₹
Revenue from operations		
Sale of products		
Manufacturing Goods	294,15,27,506	750,24,20,551
Other operating revenue		
Scrap sales	7,79,29,921	20,23,55,785
Sale of traded goods	6,05,08,496	9,79,87,215
Revenue from operations	307,99,65,923	780,27,63,551



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July , 2022**

21. Other Income	31.07.2022	31.03.2022	
	₹	₹	
Interest Income on			
Bank Deposits	68,602	9,87,693	
Others	75,39,034	2,48,85,406	
Profit on sale of property, plant and equipment	3,16,545	-	
Profit on sale of non-current Investment	99,00,000	-	
Other non-operating Income (net of expenses directly attributable to such income)	5,35,986	18,09,394	
	1,83,60,167	2,76,82,493	
22. Cost of raw material and components consumed	31.07.2022	31.03.2022	
	₹	₹	
Inventory at the beginning of the year	7,86,40,318	10,25,02,376	
Add: purchases	283,71,32,739	721,86,89,818	
Less: Disposal of Raw Material	7,19,47,607	12,57,13,551	
	284,38,25,450	719,54,78,644	
Less : Inventory at the end of the year	12,75,47,951	7,86,40,318	
Cost of raw material and components consumed	271,62,77,499	711,68,38,326	
23. (Increase)/Decrease in Inventories	31.07.2022	31.03.2022	(Increase)/Decrease
	₹	₹	₹
Inventories at the end of the year			2022
Finished goods	4,31,04,397	11,79,25,675	7,48,21,278
By-Products	38,14,994	54,00,388	15,85,394
	4,69,19,391	12,33,26,063	7,64,06,672
Inventories at the beginning of the year			2021
Finished goods	11,79,25,675	17,84,40,910	6,05,15,235
By-Products	54,00,388	42,25,674	(11,74,714)
	12,33,26,063	18,26,66,584	5,93,40,521
Net (increase)/decrease in inventories	7,64,06,672	5,93,40,521	



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

24. Employee benefits expense	31.07.2022	31.03.2022
	₹	₹
Salaries, wages and other benefits	1,70,17,145	4,56,25,776
Contribution to provident and other fund	12,12,228	35,39,161
Gratuity expense	11,27,382	20,30,706
Staff welfare expense	3,94,736	17,39,899
	1,97,51,491	5,29,35,542
25. Finance Costs	31.07.2022	31.03.2022
	₹	₹
Interest		
- on term loans	12,93,768	50,72,340
- on working capital	31,00,250	1,04,98,301
- on others	3,88,332	1,26,259
Other Borrowing cost	27,51,644	28,96,151
	75,33,994	1,85,93,051
26. Depreciation & amortization expense	31.07.2022	31.03.2022
	₹	₹
Depreciation on property, plant and equipment	1,20,65,165	3,89,42,815
Amortization of intangible assets	1,26,118	3,77,320
	1,21,91,282	3,93,20,135
27. Other Expenses	31.07.2022	31.03.2022
	₹	₹
Consumption of stores and spares	97,25,192	3,13,98,203
Power & Fuel	7,28,15,552	25,27,53,050
Other manufacturing expenses	28,26,207	93,71,366
Rates and taxes	75,205	6,76,478
Insurance	26,09,223	30,74,632
Repairs and maintenance		
- Plant and machinery	54,55,856	42,22,829
- Buildings	2,05,386	3,23,426
- Others	27,100	1,84,486
Commission		
- Other than Sole selling agents	26,22,355	1,29,88,627
Travelling and conveyance	24,65,374	9,71,330
Communication expenses	2,09,138	5,53,964
Printing and stationery	53,203	2,27,467
Legal and professional fees	2,59,200	22,74,076
Directors' remuneration	40,00,000	1,28,00,000
Payment to Auditor (Refer details below)	1,00,000	3,00,000
Security service charges	8,81,320	24,65,070
Sales promotion Expenses	28,81,461	42,13,260
Frieght outward	34,11,133	-
Loss on sale of property, plant & equipment	-	38,402
Loss on scrapping of property, plant & equipment	-	1,11,572
Bad debts written off	-	1,07,23,548
Miscellaneous expenses	25,05,589	43,57,277
	11,31,28,494	35,40,29,062



Hira Steels Limited**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

28. Earnings per share (EPS)	31.07.2022	31.03.2022
	₹	₹
Net profit/(loss) as per Statement of profit and loss	6,23,16,765	3,89,08,301
Net profit/(loss) for calculation of basic EPS & Diluted EPS	6,23,16,765	3,89,08,301
Weighted average number of equity shares in calculating Basic EPS	8608350	11265950
Weighted average number of equity shares in calculating Diluted EPS	10558350	23298005
Basic & Diluted EPS		
- Basic earning per share	7.24	3.45
- Diluted earning per share	5.90	1.67

29. Contingent Liabilities not provided for, are in respect of :-**₹ in lacs**

	31.07.2022	31.03.2022
i) Income Tax demand	123.26	123.26

In respect of above demands the company has preferred Appeals before higher authorities.



Annexure - 10

JDS & Co

CHARTERED ACCOUNTANTS
6-CENTRAL AVENUE, CHOUBE COLONY,
RAIPUR - 492001 (C.G.),
PHONE: 0771 - 4041236,
E-mail: jdscoaiipur@gmail.com

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF JAGDAMBA POWER AND ALLOYS LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of JAGDAMBA POWER AND ALLOYS LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA's") 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for 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 consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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.



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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 Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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; 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 standalone financial statements 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.

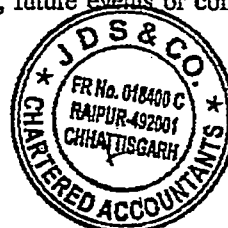
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

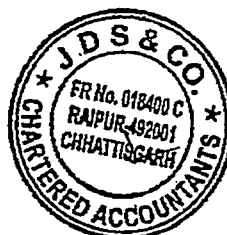
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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". 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 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) 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 amended, 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 for which there were any material foreseeable losses.

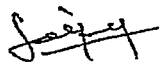
iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

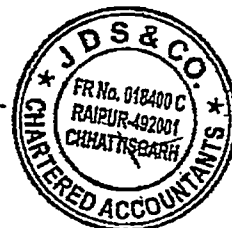
iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or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

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

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

For JDS & Co.
(Firm Regn. No.018400C)
Chartered Accountants


Sanjay Dewangan
Partner
Membership number: 409524



Raipur, 12th May, 2022

UDIN: 22409524AJANVL5028

ANNEXURE 'A' 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 JAGDAMBA POWER AND ALLOYS LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

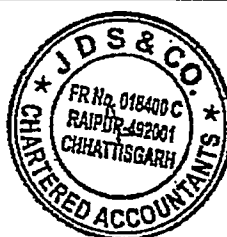
- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) As the Company does not have any intangible assets, therefore reporting under clause 3(i) (a) (B) of the Order is not applicable
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the physical verification of inventories has been conducted at reasonable intervals by the management during the year. In our opinion, the frequency of the verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not more than 10% or more in the aggregate of each class of inventory and have been properly dealt with in the books of account.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has provided unsecured loans or advances in the nature of loans or provided security to any other entity during the year,
 - A) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to subsidiary, associates or joint ventures during the year, and hence reporting under clause 3(iii)(a) (A) of the Order is not applicable.
 - B) The aggregate amount of loan given during the year Rs.2199.70 lacs and the balance outstanding with respect to such loans provided at the balance sheet date other than subsidiaries, associates and Joint ventures is Rs.4827.57 lacs.
 - (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest.
 - (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.



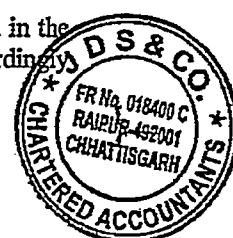
- (d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans repayable on demand or without specifying any terms of repayment during the year to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013. Hence, reporting under clause 3(iii) (f) of the Order is not applicable.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, in respect of Company's products to which the said rules are made applicable and are of the opinion that, prima facie, the prescribed accounts and records, have been made and maintained. We have, however, not made a detailed examination of the records.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of Dues	Amount Rs. in lacs	Forum where dispute is pending
Central Excise Act, 1944	Demand raised on account of denial of Cenvat Credit availed on Capital goods during July 2008 to March 2013 and equal penalty imposed.	1027.40	High Court, Bilaspur
Income Tax Act, 1961	Income tax demand for the A.Y. 2016-17	45.50*	Commissioner of Income Tax (Appeal), Raipur

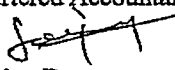
* net of deposit

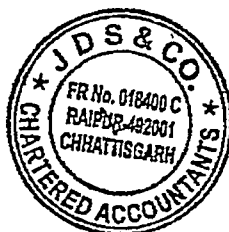


- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender and hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) In our opinion and based on our examination, the company is not required to have vigil mechanism (whistle blower) as per the provisions of the Companies Act, 2013. Hence, reporting under clause 3(xi) (c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion the internal audit is not applicable as per the provisions of Section 138 of the Act, therefore the reporting under clause 3(xiv) (a) & (b) of the Order is not applicable.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.



- 147.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. 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 our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) in accordance with Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for the year.

For JDS & Co.
(Firm Regn. No.018400C)
Chartered Accountants

Sanjay Dewangan
Partner
Membership number: 409524



Raipur, 12th May, 2022

UDIN: 22409524AJANVL5028

ANNEXURE "B" 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 JAGDAMBA POWER AND ALLOYS LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of JAGDAMBA POWER AND ALLOYS LIMITED (the "Company") as of March 31, 2022 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 Management 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 (the "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.

Auditor's Responsibility

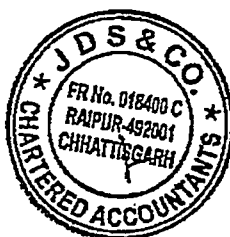
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI 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. 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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

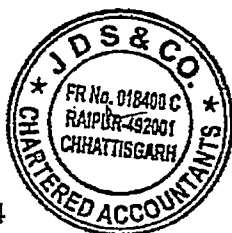
Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

For JDS & Co.
(Firm Regn. No.018400C)
Chartered Accountants



Sanjay Dewangan
Partner
Membership number: 409524



Raipur, 12th May, 2022

UDIN: 22409524AJANVL5028

JAGDAMBA POWER & ALLOYS LIMITED**Balance Sheet as at 31st March, 2022**

Particulars	Notes	As at 31.03.2022	As at 31.03.2021
		₹	₹
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	153,282,122	172,113,586
(b) Capital work-in-progress	3.1	3,273,673	3,273,673
(c) Financial assets			
(i) Investments	4	281,745,900	281,745,900
(ii) Loans	5	482,756,629	331,655,430
(iii) Other Financial Asset	6	32,939,418	31,485,771
(d) Deferred tax assets (net)	7	2,783,782	9,675,169
(e) Other non-current assets	8	2,833,754	2,833,754
		959,615,278	832,783,283
(2) Current-assets			
(a) Inventories	9	47,309,393	22,408,934
(b) Financial assets			
(i) Trade Receivables	10	-	1,209,594
(ii) Bank, Cash and cash equivalents	11	8,474,769	852,800
(c) Current tax assets (Net)		4,412,546	6,323,039
(d) Other current assets	8	156,961,922	59,943,819
		217,158,629	90,738,186
Total Assets		1,176,773,907	923,521,469
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	76,697,000	76,697,000
(b) Other equity		757,934,316	711,687,110
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	13	20,151,636	19,935,614
(b) Provisions	14	3,207,983	1,936,371
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	1,102,067	1,471,512
(ii) Trade Payables	16		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		16,112,354	21,572,493
(iii) Other Financial Liabilities	17	4,938,148	9,787,566
(b) Other current liabilities	18	296,410,586	80,310,110
(c) Provisions	14	219,817	123,693
Total Equity and Liabilities		1,176,773,907	923,521,469

SIGNIFICANT ACCOUNTING POLICIES

2.1

The accompanying notes are integral part of the financial statements.

As per our report of even date.

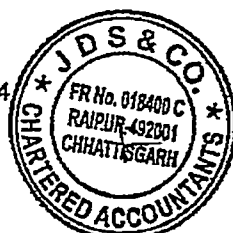
For JDS & Co

(ICAI Firm Reg. No.018400C)

Chartered Accountants

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 12.05.2022



For and on behalf of the Board of Directors of
Jagdamba Power & Alloys Limited

Alok Agrawal
Managing Director
DIN: 00494805

M. Chandramohan Rao
CFO

Arun Poddar
Director
DIN: 02992106

Shweta Sharma
Company Secretary
A55881

JAGDAMBA POWER & ALLOYS LIMITED**Statement of Profit & Loss for the year ended 31st March, 2022**

	Notes	31.03.2022 ₹	31.03.2021 ₹
INCOME			
Revenue from operations	19	750,068,394	638,239,835
Other Income	20	36,856,264	38,411,352
TOTAL REVENUE (I)		786,924,658	676,651,187
EXPENDITURE			
Cost of raw materials and component consumed	21	545,128,266	469,349,608
Employee benefits expense	22	40,237,400	35,368,458
Finance costs	23	1,735,087	738,129
Depreciation expense	24	21,618,965	22,103,304
Other Expenses	25	114,870,042	77,099,368
TOTAL EXPENDITURE (II)		723,589,759	604,658,867
Profit/(loss) before tax		63,334,899	71,992,320
Tax expenses			
Current tax		9,875,997	10,755,296
Deferred Tax		6,980,497	10,422,448
Total tax expenses		16,856,494	21,177,744
Profit/(loss) for the year		46,478,405	50,814,576
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans, Gross		(320,309)	140,631
Income tax relating to items that will not be reclassified to profit or loss		89,110	(39,124)
Items that will be reclassified to profit or loss			
Fair value of financial assets, Gross		-	(231,938)
Income tax relating to items that will be reclassified to profit or loss		-	48,243
Total Comprehensive Income for the year		46,247,206	50,732,389
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2021" ₹ 10/-)]	26		
Basic		6.06	6.63
Diluted		6.06	6.63

SIGNIFICANT ACCOUNTING POLICIES

2.1

The accompanying notes are integral part of the financial statements.

As per our report of even date

For JDS & Co

(ICAI Firm Reg. No.018400C)

Chartered Accountants

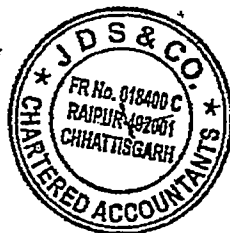
Sanjay Dewangan

Partner

Membership No.409524

Place : Raipur

Date : 12.05.2022

For and on behalf of the Board of Directors of
Jagdamba Power & Alloys LimitedAlok Agrawal
Managing Director
DIN: 00494805M. Chandramohan Rao
CFOArun Poddar
Director

DIN: 02992106

Shweta Sharma
Company Secretary
A55881

JAGDAMBA POWER & ALLOYS LIMITED**Statement of Cash Flow for the year ended 31st March, 2022**

	2022 ₹	2021 ₹
Cash Flow from operating activities		
Profit/(loss) before exceptional items and tax	63,334,899	71,992,320
Adjustments to reconcile profit before tax to cash generated by operating activities		
Depreciation	21,618,965	22,103,304
Provision for Employee benefits	1,047,427	864,622
Profit on sale of Property, Plant & Equipment	-	(159,437)
CWIP Written off	-	922,900
Finance cost	1,735,087	738,129
Interest Income	(36,853,124)	(32,942,082)
Changes in assets and liabilities		
Trade payables	(5,460,140)	(7,126,183)
Other current liabilities	216,100,476	40,989,259
Other Financial liabilities	(4,849,418)	7,969,989
Trade receivables	1,209,594	4,030,229
Inventories	(24,900,459)	70,026,939
Other non-current Financial Liabilities	-	(1,679,077)
Other current assets	(97,018,103)	33,591,981
Long-term loans and advances	(151,101,199)	51,752,376
Cash generated from/(used In) operations	(15,135,994)	263,075,269
Income Tax Paid	(11,260,107)	(16,864,050)
Net Cash flow from/(used In) operating activities A	(26,396,101)	246,211,219
Cash flows from Investing activities		
(Increase)/decrease in PPE including Capital WIP	(2,787,501)	(148,754)
Sale proceeds of Property, Plant & Equipment	-	1,850,000
(Increase)/Decrease in Non Current Investment	-	(280,100,000)
Interest received	36,853,124	32,942,082
Net cash flow from/(used In) Investing activities B	34,065,623	(245,456,672)
Cash flows from financing activities		
Proceeds / (Repayment) of long-term borrowings	216,022	(169,262)
Interest paid	(1,735,087)	(738,129)
Net cash flow from/(used In) financing activities C	(47,553)	(907,390)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	7,621,969	(152,843)
Cash and Cash Equivalents at the beginning of the year	852,800	1,005,643
Cash and Cash Equivalents at the end of the year	8,474,769	852,800

Notes:**(a) Cash and cash equivalent include the following :**

Cash in hand	100,879	61,750
With banks- on Deposits account	1,478,890	1,417,554
- on current account	7,646,345	723,535
	9,226,114	2,202,839
Less: Over draft facility	751,346	1,350,040
	8,474,769	852,800

(b) Figures in brackets represent outflows.

As per our report of even date

For JDS & Co

(ICAI Firm Reg. No.018400C)

Chartered Accountants

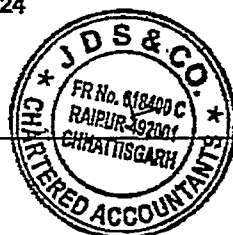
Sanjay Dewangan

Partner

Membership No.409524

Place : Raipur

Date : 12.05.2022



Alok Agrawal
Alok Agrawal
Managing Director
DIN: 00494805

M. Chandramohan Rao
M. Chandramohan Rao
CFO

For and on behalf of the Board of Directors of Jagdamba Power & Alloys Limited

Arun Poddar
Arun Poddar
Director
DIN: 02992106

Shweta Sharma
Shweta Sharma
Company Secretary

A55881

JAGDAMBA POWER & ALLOYS LIMITED**Statement of changes in Equity****Equity Share Capital**

Particulars	Balance as at 01.04.2020	Changes In Equity Share Capital due to prior period errors	Restated balance at the beginning of the respective reporting periods	Changes In the equity share capital during the year	(Amount In ₹) Balance as at 31.03.2021
Equity Share Capital	76,697,000	-	-	-	76,697,000

Particulars	Balance as at 01.04.2021	Changes In Equity Share Capital due to prior period errors	Restated balance at the beginning of the respective reporting periods	Changes In the equity share capital during the year	Balance as at 31.03.2022
Equity Share Capital	76,697,000	-	-	-	76,697,000

Other Equity

Particulars	Other Equity		(Amount In ₹)
	Reserves and Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	
Balance as of April 1, 2020	660,489,884	464,837	660,954,721
Actuarial Gain/Loss on employee benefit (Net of Tax)	101,507	-	101,507
Equity Instruments through Other Comprehensive Income (Net of Tax)	-	(183,695)	(183,695)
Profit/(loss) for the period	50,814,576	-	50,814,576
Balance as on March 31, 2021	711,405,968	281,142	711,687,110

Particulars	Other Equity		Total Other Equity
	Reserves and Surplus	Other Comprehensive Income	
	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)	
Balance as of April 1, 2021	711,405,968	281,142	711,687,110
Actuarial Gain/Loss on employee benefit (Net of Tax)	(231,199)	-	(231,199)
Profit/(loss) for the period	46,478,405	-	46,478,405
Balance as on March 31, 2022	757,653,174	281,142	757,934,316

The accompanying notes are integral part of the financial statements.

As per our report of even date

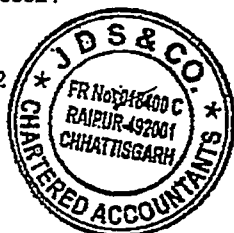
For JDS & Co

(ICAI Firm Reg. No.018400C)

Chartered Accountants

Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 12.05.2022



For and on behalf of the Board of Directors of
Jagdamba Power & Alloys Limited

Alok Agrawal
Managing Director
DIN: 00494805

M. Chandramohan Rao
CFO

Arun Poddar
Director
DIN: 02992106

Shweta Sharma
Company Secretary
A55881

JAGDAMBA POWER & ALLOYS LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

1. Corporate Information

Jagdamba Power & Alloys Limited (the company) is a company domiciled in India and incorporated under the provisions of the Companies Act. The company is mainly engaged in Generation of Electricity.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

- i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.
- ii) The standalone financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
 - Certain financial assets and liabilities and
 - Defined benefit plans - plan assets

2.2 Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19)

Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Company is in the business of generation of power which is essential commodity, there was no impact on financials of the Company for the year ended 31st March, 2022. In view of classification of power industry as essential commodity, the lockdown has not impacted the operation of the company. The Company is taking full measure to protect the health & safety of the employees. Further the Company has made detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Trade receivables, Inventory and Investments and has concluded that there are no material adjustments required in the financial statements. Barring unforeseen circumstances, the management believes that the impact of the COVID-19 outbreak on the business and financial position of the Company is not likely to be significant at this stage, unless the corona impacted cases further increase in the area of operations of the Company. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Company is monitoring the situation closely and will take appropriate measures depending on the evolving situation.

2.3 Summary of significant accounting policies

a) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

b) Fair Value Measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability.

c) Property, Plant and Equipment (PPE)

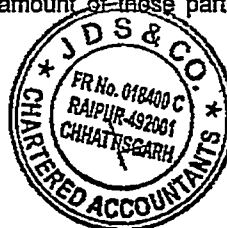
On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022**

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

d) Capital work in progress

Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.

Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

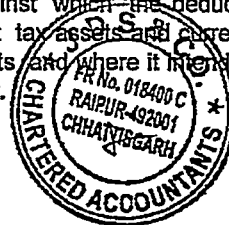
e) Depreciation and amortisation

- i) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- ii) Depreciation on the property, plant and equipment is provided over the useful life of assets as per written down value method as specified in Schedule II to the Companies Act, 2013.
- iii) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery.

f) Taxes on Income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022****g) Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

h) Financial Instruments**Initial Recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement**Non-derivative financial instruments****(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(ii) Financial assets at fair value through other comprehensive income

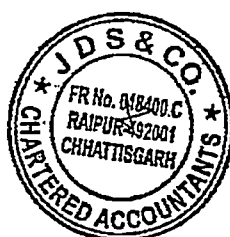
A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022****Share capital****Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

i) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

j) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

k) Other Income

Other income is comprised primarily of interest income and dividend income. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

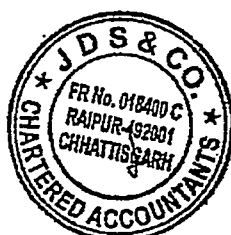
l) Statement of cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard.

m) Inventories :

- i) Inventories are valued at lower of cost and net realisable value, after providing for obsolesces, if any.
- ii) Cost of Raw Materials and stores & spares, Finished Goods & Goods in Process are computed on FIFO basis.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022**

- iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at costs or net realizable value (NRV) whichever is lower. The cost is determined using FIFO and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.
- v) The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period in which write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the net realisable value is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

n) Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- i) Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- ii) Revenue from sales of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

Interest income

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

Dividends

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

o) Borrowing Cost

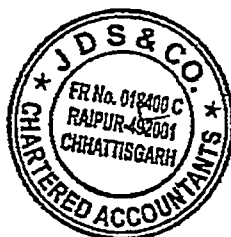
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of the funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p) Foreign Currency Transactions

- i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

q) Employee Benefits Expenses
Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.



JAGDAMBA POWER & ALLOYS LIMITED

Notes to standalone financial statements for the year ended 31st March, 2022

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

r) Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

s) Segment Reporting Policies:

Identification of segments :

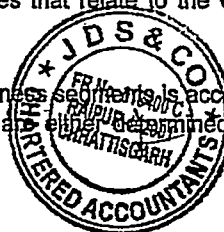
The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products.

- i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- ii) Expenses that are directly identifiable with/allocable to segment are considered for determining segment results. Expenses that relate to company as a whole and not allocable to segment are included under unallocable expenditure.
- iii) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- iv) Segment results includes margin on inter-segment and sales which are reduced in arriving at the profit before tax of the company.
- v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter segment Transfers :

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are determined to yield a desired margin or agreed on a negotiated basis.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to standalone financial statements for the year ended 31st March, 2022****2.4 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Recoverability of trade receivable

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.

c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

d) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

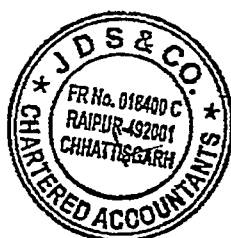
In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

e) Measurement of defined benefit obligations

The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.5 New and amended standards

The company has not early adopted any standards, amendments that have been issued but are not yet effective/notified.



JAGDAMBA POWER & ALLOYS LIMITED

Notes to financial statements for the year ended 31st March, 2022

3. Property, Plant and Equipment

	Freehold Land	Site & Land Development	Plant & Machinery	Factory Shed & Building	Vehicles	Heavy Vehicles	Office Equipment	Computers & Printers	Furniture & Fixture	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block Carrying value										
At 1 April 2020	6,332,240	9,908,463	247,590,914	12,846,330	16,037,370	1,488,565	1,095,102	297,769	947,274	296,544,028
Additions	-	-	-	-	-	-	21,240	108,929	18,585	148,754
Disposals	-	-	3,247,059	-	-	-	-	-	-	3,247,059
At 31 March, 2021	6,332,240	9,908,463	244,343,855	12,846,330	16,037,370	1,488,565	1,116,342	406,698	965,859	293,445,723
Additions	-	-	1,062,000	-	1,089,209	-	571,746	55,696	8,850	2,787,501
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March, 2022	6,332,240	9,908,463	245,405,855	12,846,330	17,126,579	1,488,565	1,688,088	462,394	974,709	296,233,224
Depreciation										
At 1 April 2020	-	-	82,445,899	4,831,322	10,872,014	1,166,500	692,552	153,393	623,648	100,785,328
Charge for the year	-	-	19,463,882	739,839	1,507,246	85,620	129,780	54,578	122,359	22,103,304
Disposals	-	-	1,556,495	-	-	-	-	-	-	1,556,495
At 31 March, 2021	-	-	100,353,287	5,571,161	12,379,260	1,252,120	822,332	207,971	746,007	121,332,137
Charge for the year	-	-	19,293,088	669,628	1,252,458	47,085	199,832	76,170	80,704	21,618,965
Disposals	-	-	-	-	-	-	-	-	-	-
At 31st March, 2022	-	-	119,646,375	6,240,789	13,631,718	1,299,205	1,022,164	284,141	826,711	142,951,102
Net Block										
At 31 March, 2021	6,332,240	9,908,463	143,990,569	7,275,170	3,658,110	236,445	294,011	198,727	219,852	172,113,586
At 31st March, 2022	6,332,240	9,908,463	125,759,481	6,605,542	3,494,861	189,360	665,925	178,253	147,998	153,282,122

3.1 Capital Work in progress (CWIP)

	At 1 April 2020	Addition	Deduction	At 31 March, 2021	Addition	Deduction	At 31 March, 2022
Project temporarily suspended	3,273,673	0	0	3,273,673	0	0	3,273,673
	3,273,673	0	0	3,273,673	0	0	3,273,673

Details of Capital Work in Progress

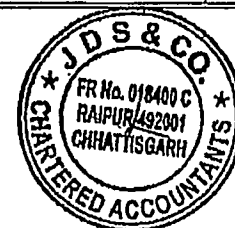
Project temporarily suspended

Amount in CWIP for a period of 31.03.2022					Total
< 1 year	1-2 years	2-3 years	> 3 years		
-	-	-	3,273,673		3,273,673

Details of Capital Work in Progress

Project temporarily suspended

Amount in CWIP for a period of 31.03.2021					Total
< 1 year	1-2 years	2-3 years	> 3 years		
-	-	-	3,273,673		3,273,673



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****4. Non-current investments**

	31.03.2022	31.03.2021
	₹	₹

Carried at Fair Value through OCI**Unquoted equity instruments, fully Paid up**

500 Shares of Vimla Infrastructure (I) Pvt. Ltd. of ₹ 10/- each fully Paid up

1,645,900 1,645,900

600000 Shares of Varda Energy & Engineering Pvt. Ltd. of ₹ 10/- each fully Paid up

8,100,000 8,100,000

Unquoted preference shares, fully paid up

130000 0.01% Non Cumulative Non Participative Optionally Convertible Redeemable Preference Shares of Him Sagar Minerals Pvt. Ltd. of Rs. 10/- each fully paid up

13,000,000 13,000,000

1950000 0.01% Non Cumulative Non Participating Optionally Convertible Redeemable Preference Shares of Hira Steels Ltd. of Rs. 10/- each fully paid up

195,000,000 195,000,000

460000 0.01% Non Cumulative Non Participative Optionally Convertible Redeemable Preference Shares of M.T. Realtors Pvt. Ltd. of Rs. 10/- each fully paid up

46,000,000 46,000,000

300000 0.01% Non Cumulative Non Participative Optionally Convertible Redeemable Preference Shares of Vrajesh Steels Pvt. Ltd. of Rs. 10/- each partly paid up

18,000,000 18,000,000

	281,745,900	281,745,900
--	--------------------	--------------------

5. Loans

	Non Current
	31.03.2022 31.03.2021

Loans to body corporate (Unsecured, considered good)

482,756,629 331,655,430

	482,756,629	331,655,430
--	--------------------	--------------------

Note: No loans are due from directors or KMP or Promoters or related parties.

6. Other non-current Financial Asset

	31.03.2022	31.03.2021
--	------------	------------

Balances with banks:

Deposit with Bank with original maturity more than 12 months

32,939,418 31,485,771

Total

	32,939,418	31,485,771
--	-------------------	-------------------

7. Deferred Tax Assets/(Liabilities)

	31.03.2022	31.03.2021
	₹	₹

Deferred Tax Liability

Temporary differences on account of PPE & Other Intangible assets

(20,189,515) (24,035,746)

Deferred Tax Assets

Temporary differences on account of Employee Benefits

953,614 220,142

Unused MAT Credit

21,666,715 33,137,805

Temporary differences on account of fair valuation of Investments

352,968 352,968

Net deferred tax Assets

	2,783,782	9,675,169
--	------------------	------------------

RECONCILIATION OF DEFERRED TAX ASSETS/LIABILITIES (NET)

	31.03.2022	31.03.2021
	₹	₹

Deferred tax (liability)/assets at the beginning of the year

9,675,169 20,088,497

Deferred tax (liability) / assets during the year on account of timing difference

4,579,703 (4,516,405)

MAT Credit (utilized)/arised

(11,471,090) (5,896,924)

NET DEFERRED TAX ASSETS/LIABILITIES AT THE END OF THE YEAR

	2,783,782	9,675,169
--	------------------	------------------

8. Other Assets (unsecured, considered good)

	Non-current		Current	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	₹	₹	₹	₹

Advances other than capital advances

Security deposit

2,833,754 2,833,754

Claim receivables

6,648,939 6,648,939

Advance to Vendors

139,472,860 50,013,292

Advance to Employees

317,197 450,383

Prepaid expenses

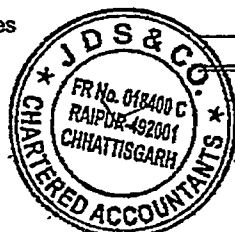
2,438,897 855,230

Balance with statutory / govt. authorities

8,084,029 1,975,975

Total

	2,833,754	2,833,754	156,961,922	59,943,819
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JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****9. Inventories (valued at lower of cost and net realizable value)**

	31.03.2022	31.03.2021
	₹	₹
Raw Materials	19,573,739	4,759,236
Stores & Spares	27,735,654	17,649,698
	47,309,393	22,408,934

10. Trade receivables

	Current	
	31.03.2022	31.03.2021
	₹	₹
Unsecured, considered good	-	1,209,594
Trade receivables - Unsecured considered good	-	1,209,594

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

	Outstanding for following periods from Due Date of Payment as on 31.03.2022				
	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years
(i) Undisputed trade Receivables- Considered goods	-	-	-	-	-
(ii) Undisputed trade Receivables- Which have significant Increase in Credit Risk	-	-	-	-	-
(iii) Undisputed trade Receivables- Credit Impaired	-	-	-	-	-
(iv) disputed trade Receivables- considered goods	-	-	-	-	-
(v) disputed trade Receivables- Which have significant Increase in Credit Risk	-	-	-	-	-
(vi) disputed trade Receivables- Credit Impaired	-	-	-	-	-
Total	-	-	-	-	-

	Outstanding for following periods from Due Date of Payment as on 31.03.2021				
	< 6 Months	6 Months-1 Years	1-2 Years	2-3 Years	> 3 Years
(i) Undisputed trade Receivables- Considered goods	-	1,209,594	-	-	-
(ii) Undisputed trade Receivables- Which have significant Increase in Credit Risk	-	-	-	-	-
(iii) Undisputed trade Receivables- Credit Impaired	-	-	-	-	-
(iv) disputed trade Receivables- considered goods	-	-	-	-	-
(v) disputed trade Receivables- Which have significant Increase in Credit Risk	-	-	-	-	-
(vi) disputed trade Receivables- Credit Impaired	-	-	-	-	-
Total	-	1,209,594	-	-	-

11. Bank, Cash and cash equivalents**Cash and cash equivalents****Balances with banks:**

On current accounts

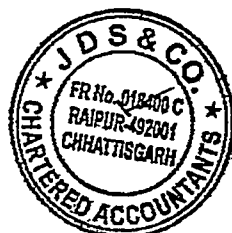
Deposit with Bank with original maturity less than 3 months

Cash in hand

Less: Overdraft facility from Bank

	Current	
	31.03.2022	31.03.2021
	₹	₹
On current accounts	7,646,345	723,535
Deposit with Bank with original maturity less than 3 months	1,478,890	1,417,554
Cash in hand	100,879	61,750
	9,226,114	2,202,839
Less: Overdraft facility from Bank	751,346	1,350,040
	8,474,769	852,800

The overdraft facility from bank is secured by pledge of fixed deposit receipts from bank.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022**

	31.03.2022 ₹	31.03.2021 ₹
12. Equity Share capital		
Authorised		
10000000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
	100,000,000	100,000,000
Issued, subscribed and fully paid-up		
7669700 Equity Shares of ₹ 10/- each	76,697,000	76,697,000
fully paid-up	76,697,000	76,697,000

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

Equity shares	31.03.2022		31.03.2021	
	No.	₹	No.	₹
At the beginning of the period	7,669,700	76,697,000	7,669,700	76,697,000
Issue during the period	-	-	-	-
Outstanding at the end of the period	7,669,700	76,697,000	7,669,700	76,697,000

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

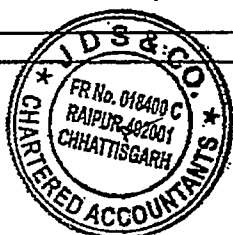
In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	31.03.2022		31.03.2021	
	No.	% of holding In the class	No.	% of holding In the class
Equity shares of ₹ 10/- each fully paid				
Shri Alok Agarwal	2,333,000	30.42	2,333,000	30.42
Sagar Energy & Steels Pvt. Ltd	940,000	12.26	940,000	12.26
Godawari Power & Ispat Limited	2,605,000	33.97	2,605,000	33.97
Shri Amit Agrawal	1,791,400	23.36	1,791,400	23.36
	7,669,400	100.00	7,669,400	100.00

d. Shares held by promoters at 31 March 2022

Promoter Name	No. of Shares	% of total shares	% Change during the year
Shri Alok Agarwal	2,333,000	30.42	-
Shri Amit Agrawal	1,791,400	23.36	-
Sagar Energy & Steels Pvt. Ltd	940,000	12.26	-
Nisha Agrawal	100	0.001	-
Richa Agrawal	100	0.001	-
Amit Agrawal HUF	100	0.001	-



JAGDAMBA POWER & ALLOYS LIMITED

Notes to financial statements for the year ended 31st March, 2022

13. Borrowings

Particulars	Effective interest rate	Maturity	Non-current portion		Current maturities	
			31.03.2022	31.03.2021	31.03.2022	31.03.2021
			₹	₹	₹	₹
Other Loans & advances						
✓ From banks (secured)	10.05%	3/7/2023	-	978,290	✓ 1,102,067	1,471,512
✓ Loans & Advances from body corporate (unsecured)	7.00%		✓ 20,151,636	18,957,324		-
Loans & Advances from						-
			✓ 20,151,636	19,935,614	✓ 1,102,067	1,471,512
The above amount includes						
Secured borrowings			-	978,290	1,102,067	1,471,512
UnSecured borrowings			✓ 20,151,636	18,957,324		
Amount disclosed under the head short term borrowings (refer note 15)					(1,102,067)	(1,471,512)
Net amount			✓ 20,151,636	19,935,614	-	-

Notes for Security:-

- a) Other loans & advances are secured against the hypothecation of vehicles financed by the banks.
 b) Unsecured loans from body corporate and director are unsecured and their repayment is for more than one year.

14. Provisions

	Long-term		Short-term	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	₹	₹	₹	₹
Other Provisions				
Provision for Gratuity	1,965,393	1,087,062	90,218	39,284
Provision for Leave Encashment	1,242,590	849,309	129,599	84,409
	3,207,983	1,936,371	219,817	123,693

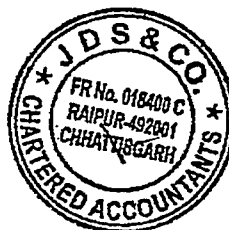
15. Borrowings

	31.03.2022	31.03.2021
	₹	₹
✓ Current maturities of long-term borrowings (secured) (refer note 13)	✓ 1,102,067	1,471,512
	✓ 1,102,067	1,471,512
The above amount includes		
Secured borrowings	1,102,067	1,471,512

16. Trade Payables**Trade Payables**

- total outstanding dues of micro enterprises and small enterprises
 - total outstanding dues of creditors other than micro enterprises and small enterprises

	31.03.2022	31.03.2021
	₹	₹
	-	-
	16,112,354	21,572,493
	16,112,354	21,572,493



JAGDAMBA POWER & ALLOYS LIMITED

Notes to financial statements for the year ended 31st March, 2022

Trade payables ageing schedule					
Particulars	Outstanding for Following periods from due date of Payment as on 31.03.2022				
	< 1 Years	> 1 to 2 Years	> 2 to 3 Years	> 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	12,386,585	728,125	-	2,997,644	16,112,354
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total					16,112,354

Trade payables ageing schedule					
Particulars	Outstanding for Following periods from due date of Payment as on 31.03.2021				
	< 1 Years	> 1 to 2 Years	> 2 to 3 Years	> 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	18,565,994	8,855	-	2,997,644	21,572,493
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total					21,572,493

17. Other Financial liabilities
 Provision for Expenses
 Interest Accrued but not due

31.03.2022	31.03.2021
₹	₹
4,938,148	9,771,073
-	16,493
4,938,148	9,787,566

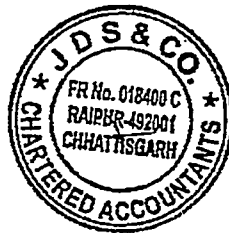
18. Other current liabilities

Statutory dues payable

Deposit from Customer *Security deposit*

Advance from Customer

31.03.2022	31.03.2021
₹	₹
3,247,496	7,804,161
200,000,000	-
83,163,090	72,505,949
296,410,586	80,310,110



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****19. Revenue from operations**

	31.03.2022	31.03.2021
	₹	₹
Revenue from operations		
Sale of products		
Electricity	750,068,394	638,239,835
Revenue from operations	750,068,394	638,239,835

20. Other Income

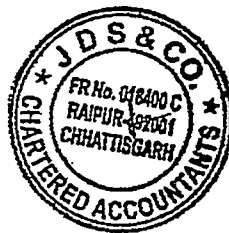
	31.03.2022	31.03.2021
	₹	₹
Interest Income on		
Bank Deposits	1,686,459	1,897,805
Others	35,074,153	31,044,277
On Income Tax Refund	92,512	5,305,442
Profit on sale of PPE	-	159,437
Other Income	3,140	4,391
	36,856,264	38,411,352

21. Cost of raw materials and components consumed

	31.03.2022	31.03.2021
	₹	₹
Inventory at the beginning of the year	4,759,236	80,397,811
Add: Purchases including procurement expenses	559,942,769	393,711,033
	564,702,005	474,108,844
Less : Inventory at the end of the period	19,573,739	4,759,236
Cost of raw materials and components consumed	545,128,266	469,349,608

22. Employee benefits expense

	31.03.2022	31.03.2021
	₹	₹
Salaries, wages and bonus	37,670,735	33,738,009
Contribution to provident and other fund	1,949,494	1,243,347
Gratuity Expenses	617,171	387,102
	40,237,400	35,368,458

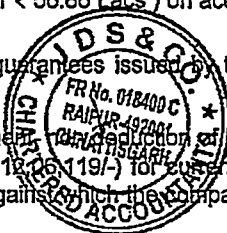


JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022**

23. Finance Costs	31.03.2022	31.03.2021
	₹	₹
Interest		
- on other loans	139,204	244,979
- on overdraft facility	3,227	17,033
- on others	1,551,616	47,615
Bank charges	41,040	428,502
	<u>1,735,087</u>	<u>738,129</u>
24. Depreciation expense	31.03.2022	31.03.2021
	₹	₹
Depreciation on Property, Plant and Equipment	21,618,965	22,103,304
	<u>21,618,965</u>	<u>22,103,304</u>
25. Other Expenses	31.03.2022	31.03.2021
	₹	₹
Consumption of stores and spares	35,467,771	12,740,454
Other Manufacturing Expenses	8,104,337	6,165,034
Rates and taxes		
-Electricity Duty	29,802,571	28,158,781
-Other	2,259,867	2,095,134
Insurance	2,966,753	1,968,121
Repairs and maintenance		
- Plant and machinery	5,964,697	1,595,264
- Buildings	983,154	504,789
- Others	2,054,954	1,554,144
Electricity Charges	274,482	120,749
Directors Remuneration	18,160,000	12,960,000
Security Charges	3,644,318	3,154,231
Communication expenses	76,739	67,062
Travelling and conveyance	307,993	448,639
Legal and professional fees	1,364,001	326,466
Vehicle Running & Maintenance	1,045,404	1,040,904
Payment to Auditor	225,000	225,000
Printing, Stationery, Books & Periodicals	110,309	103,742
Corporate Social Responsibility	700,000	-
Sundry balances written off	-	1,255,392
Miscellaneous expenses	1,357,692	2,615,462
	<u>114,870,042</u>	<u>77,099,368</u>
Payment to Auditor		
- Audit fees	200,000	200,000
- Tax Audit fees	25,000	25,000
	<u>225,000</u>	<u>225,000</u>
26. Earnings per share (EPS)	31.03.2022	31.03.2021
	₹	₹
Net Profit/(loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders	46,478,405	50,814,576
Nominal Value of Equity Shares	10	10
Weighted average number of Equity Shares used as denominator for calculating basic EPS	7,669,700	7,669,700
Weighted average number of Equity Shares used as denominator for calculating Diluted EPS	7,669,700	7,669,700
Basic	6.06	6.63
Diluted	6.06	6.63

27. Contingent Liabilities not provided for, are in respect of :-

- Disputed liability of ₹ 1027.40 lacs (Previous Year ₹ 1027.40 Lacs) on account of Excise and Service Tax against which the company has preferred an appeal.
- Disputed liability of ₹ 56.86 lacs (Previous Year ₹ 56.86 Lacs) on account of Income Tax against which the company has preferred an appeal.
- Counter Guarantees given against the bank guarantees issued by the companies banker aggregating to Rs.256.95 lacs (P.Y.256.95 lacs).
- Demand shown in Traces portal for short payment of TDS, Interest on such default and late filing fees to the tune of Rs.92110/- (P.Y. Rs. 12,06,119/-) for current year and earlier assessment years which are appearing due to technical issues, against which the company is in the process of addressing the



JAGDAMBA POWER & ALLOYS LIMITED

Notes to financial statements for the year ended 31st March, 2022

28. RELATED PARTY DISCLOSURE**i) Related parties :****a) Other related parties**

Tashu Reality Pvt Ltd
Hira Steels Ltd
Godawari Power & Ispat Ltd.
MT Realtors Private Limited
Him Sagar Minerals Private Limited

b) Key Management Personnel

– Shri Alok Agrawal
– Shri Arun Poddar
– Shweta Sharma, Company Secretary
– M. Chandramohan Rao, CFO (w.e.f. 22.07.2020)

ii) Transaction with Related Parties in the ordinary course of business (Rs.in lacs)

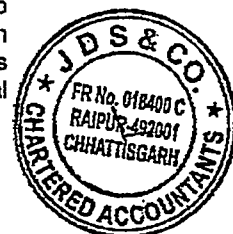
	2021-22 ₹	2020-21 ₹
a) Other related parties		
Sale of Electricity	7,500.68	6,382.40
Sale of Property, Plant & Equipment	-	18.50
Purchase of Material	-	62.19
Purchase of Stores	-	1.60
Interest Paid	13.27	14.12
Directors Remuneration and Salary	191.37	137.89
Investment in Preference shares	-	2,540.00
Outstandings		
Loans Payables	201.52	189.57
Balance payable	2,931.63	725.06

iii) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties during the year

	2021-22 ₹	2020-21 ₹
a) Sale of Electricity		
Godawari Power & Ispat Limited	7,500.68	6,382.40
b) Sale of Property, Plant & Equipment		
Hira Steels Ltd	-	18.50
c) Purchase of Materials and Others		
Hira Steels Ltd	-	62.15
d) Purchase of Stores		
Godawari Power & Ispat Ltd.	-	1.60
e) Interest Paid		
Tashu Reality Pvt Ltd	13.27	14.12
f) Remuneration/Salary Paid		
Arun Poddar	1.60	10.55
Alok Agrawal	180.00	120.00
Shweta Sharma	3.93	3.20
M. Chandramohan Rao	5.85	4.14
g) Investment in Preference shares		
Hira Steels Limited	-	1,950.00
MT Realtors Pvt. Limited	-	130.00
Himsagar Minerals Pvt. Ltd.	-	460.00
h) Unsecured loans payable		
Tashu Reality Pvt Ltd	201.52	189.57
i) Balance Payable/(Receivable)		
Godawari Power & Ispat Ltd.	2,931.63	725.06

iv) Terms and conditions of transactions with related parties

All related party transactions entered during the year were in ordinary course of business and on arm's length basis. Outstanding balances at the year-end are unsecured and will be settled in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2022, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****29. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES**

The Company's principal financial liabilities comprise of loans and borrowings in domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Currency risk
- Price risk

The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties non performance or default on their obligations. The Company's exposure to credit risk primarily relates to investments, accounts receivable and cash and cash equivalents. The Company monitors and limits its exposure to credit risk on a continuous basis. The Company's credit risk associated with accounts receivable is primarily related to party not able to settle their obligation as agreed. To manage this the Company periodically reviews the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

Trade receivables

Trade receivables represent the most significant exposure to credit risk and are stated after an allowance for impairment and expected credit loss.

Loans and Advances

Financial assets in the form of loans and advances are written off when there is no reasonable expectations of recovery. Where recoveries are made, these are recognise as income in the statement of profit and loss. The company measures the expected credit loss of dues based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and passed trends. Based on historical data, loss on collection of dues is not material hence no additional provisions considered.

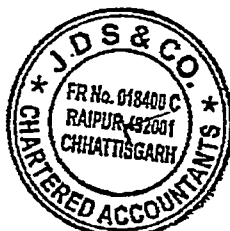
Bank, Cash and cash equivalents

Bank, Cash and cash equivalents comprise cash in hand and deposits which are readily convertible to cash. These are subject to insignificant risk of change in value or credit risk.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Amount in INR Lacs	
	31-Mar-22	31-Mar-21
Trade and other receivables	-	12.10
Loans	4,827.57	3,316.55
Bank, Cash and cash equivalents	84.75	8.53
Impairment losses		
	31-Mar-22	31-Mar-21
Trade and other receivables (measured under life time excepted credit loss model)		
Opening balance	-	-
Provided during the year	-	-
Reversal of provision	-	-
Closing balance	-	-
Ageing analysis		
	31-Mar-22	31-Mar-21
Upto 3 months	-	-
3-6 months	-	-
More than 6 months	-	12.10
	-	12.10

No significant changes in estimation techniques or assumptions were made during the reporting period



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****Liquidity risk**

The Company is exposed to liquidity risk related to its ability to fund its obligations as they become due. The Company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Company has access to credit facilities and debt capital markets and monitors cash balances daily. In relation to the Company's liquidity risk, the Company's policy is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions as they fall due while minimizing finance costs, without incurring unacceptable losses or risking damage to the Company's reputation.

Financing arrangements

The Company has access to following undrawn borrowing facilities at the end of the reporting period:

	31-Mar-22	31-Mar-21
Overdraft facility	3.49 -	2.50

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2022	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	11.02	201.52	-	212.54
Trade payables	161.12	-	-	161.12
Other financial liabilities	49.38	-	-	49.38
	<u>221.53</u>	<u>201.52</u>	<u>-</u>	<u>423.04</u>
As at 31 March 2021	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	14.72	199.36	-	214.07
Trade payables	215.72	-	-	215.72
Other financial liabilities	97.88	-	-	97.88
	<u>328.32</u>	<u>199.36</u>	<u>-</u>	<u>527.67</u>

Interest rate risk

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The Company is exposed to long term and short-term borrowings. The Company manages interest rate risk by monitoring its mix of fixed and floating rate instruments, and taking action as necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

a) Interest rate risk exposure

	31-Mar-22	31-Mar-21
Fixed rate borrowings	201.52	189.57
Floating rate borrowings	11.02	24.50

b) Sensitivity analysis

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates.

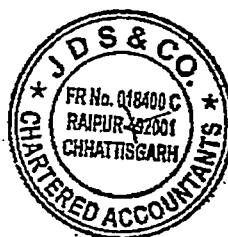
	Impact on profit after tax	
	31-Mar-22	31-Mar-21
Interest rates - increase by 70 basis points	0.08	0.17
Interest rates - decrease by 70 basis points	(0.08)	(0.17)

PRICE RISK:

The entity is exposed to equity price risk, which arises out from FVTOCI unquoted equity shares. The management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the management. The primary goal of the entity's investment strategy is to maximize investments returns.

Sensitivity Analysis for Price Risk:

Equity investments carried at FVTOCI are not listed on the stock exchange. For equity investments classified as at FVTOCI, the impact of a 2 % in the index at the reporting date on profit & loss would have been an increase of Rs.56.35 lacs (2020-21: Rs.56.35 lacs); an equal change in the opposite direction would have decreased profit and loss.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****30. CAPITAL MANAGEMENT**

The Company's main objectives when managing capital are to:

- ensure sufficient liquidity is available (either through cash and cash equivalents, investments or committed credit facilities) to meet the needs of the business;
- ensure compliance with covenants related to its credit facilities and secured debentures; and
- minimize finance costs while taking into consideration current and future industry, market and economic risks and conditions.
- safeguard its ability to continue as a going concern
- to maintain an efficient mix of debt and equity funding thus achieving an optimal capital structure and cost of capital.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

	31 March 2022	Amount in INR Lacs 31 March 2021
Total debt	212.54	214.07
Less : Bank, Cash and cash equivalent	84.75	8.53
Net debt	127.79	205.54
Total equity	8,346.31	7,883.84
Net debt to equity ratio	0.02	0.03

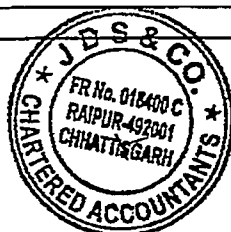
The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

31. DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED UNDER SECTION 186 (4) OF THE COMPANIES ACT, 2013.

Investment made are given under the respective heads. Further the company has not given any guarantee.

Loan given by the Company in respect of loans as at 31st March, 2022

	Amount in INR Lacs	
	As at 31.03.2022	As at 31.03.2021
Name of Company		
Bhairavi Buildcon Private Ltd.	181.17	150.35
Godawari Real Build Pvt. Ltd.	127.46	118.90
Golden Apple Realmart Pvt.Ltd	-	34.39
Grey Star Buildcon Pvt.Ltd	52.10	48.60
Hanuman Heritage Real Estate Pvt.Ltd	14.44	13.47
Hira Infra- Tek Ltd.	-	111.34
Kumar Homes India Pvt. Ltd.	192.06	179.16
Narmada Iron & Steel Private Limited	-	112.55
Pink Star Realbuild Pvt.Ltd	28.08	26.20
Planet Earth Realbuild LLP	1,186.91	1,107.19
R.R. Realcon LLP	89.39	83.39
Tirupati Balaji Realtor Pvt. Ltd.	-	342.18
Vasudeo Real Estate Pvt.Ltd	355.62	331.73
Vrindavan Real Build Pvt. Ltd	23.66	22.07
Sumeet Infracore Pvt.Ltd	703.57	635.03
Bhilai Engineering Corp.Ltd	200.00	-
Rama Buildcon	300.00	-
Rama Real Estate Pvt.Ltd	405.00	-
Shubham K-Mart Pvt. Ltd	224.70	-
Sumeet Synfeb Pvt Ltd	145.00	-
Heritage Buildcon Pvt Ltd	75.00	-
Avinash Infracore LLP	125.00	-
Chouhan Housing	140.00	-
DD Builders Ltd	268.00	-
Vardha Energy & Engineering Pvt.Ltd	10.39	-
Total	4,827.57	3,316.55



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****32. FINANCIAL INSTRUMENTS - ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS**

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

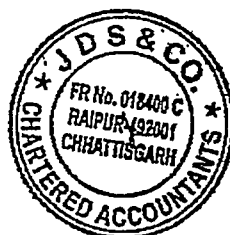
Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

	Carrying amount As at 31.03.2022	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	0.00	-	-	-
Loans and other receivables	4827.57	-	-	-
Bank, Cash and cash equivalents	84.75	-	-	-
Total	4912.31	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	2817.46	-	2817.46	-
Total	2817.46	-	2817.46	-
Financial liabilities at amortised cost:				
Long term loans	201.52	-	-	-
Short term borrowings	11.02	-	-	-
Trade and other payables	161.12	-	-	-
Other financial liabilities (current)	49.38	-	-	-
Total	423.04	-	-	-

	Carrying amount As at 31.03.2021	Level 1	Level 2	Level 3
Financial assets at amortised cost:				
Trade receivables	12.10	-	-	-
Loans and other receivables	3316.55	-	-	-
Bank, Cash and cash equivalents	8.53	-	-	-
Total	3337.18	-	-	-
Financial assets at fair value through other comprehensive income:				
Investments	2817.46	-	2817.46	-
Total	2817.46	-	2817.46	-
Financial liabilities at amortised cost:				
Long term loans	199.36	-	-	-
Short term borrowings	14.72	-	-	-
Trade and other payables	215.72	-	-	-
Other financial liabilities (current)	97.88	-	-	-
Total	527.67	-	-	-

During the reporting period ending 31st March, 2022 and 31st March, 2021, there were no transfers between Level 1 and Level 2 fair value measurements.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****33. DISCLOSURES AS REQUIRED BY INDIAN ACCOUNTING STANDARD (Ind AS) 19 EMPLOYEE BENEFITS:****a. Defined Contribution Plan:**

Amount of Rs. 19.49 lacs (P.Y. Rs. 12.43 lacs) is recognised as an expenses and included in employee benefit expense as under the following defined contribution plans:

Benefit (Contribution to):	2021-22	2020-21
Provident and other fund	19.49	12.43
Total	19.49	12.43

b. Defined benefit plan:**Gratuity:**

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 to 30 days salary for each completed year of service subject to a maximum of Rs.20 Lacs. Vesting occurs upon completion of five continuous years of service in accordance with Indian law.

The Company makes annual contributions to Crompton Greaves Limited Gratuity Trust, which is funded defined benefit plan for qualifying employees.

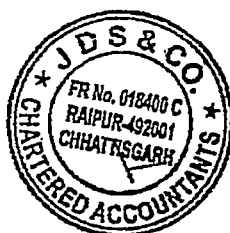
Particulars	Gratuity		Leave	
	2021-22	2020-21	2021-22	2020-21
	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)

I Change in Present value of defined benefit obligation during the year:

Present value of defined benefit obligation at the beginning of the year	11.26	7.63	9.34	5.73
Interest Cost	0.78	0.53	0.64	0.40
Current Service Cost	5.39	3.34	6.80	4.39
Past Service Cost	-	-	-	-
Benefit paid	(0.17)	-	(2.97)	(0.02)
Actuarial Changes arising from changes in demographic assumption	-	-	-	-
Actuarial Changes arising from changes in financial assumption	(0.26)	0.11	(0.27)	0.09
Actuarial Changes arising from changes in experience assumption	3.55	(0.35)	0.18	(1.26)
Present value of defined benefit obligation at the end of the year	20.56	11.26	13.72	9.34

II Net asset / (liability) recognised in the balance sheet:

Present Value of defined benefit obligation at the end of the year	20.56	11.26	13.72	9.34
Fair value of plan assets at the end of the year	-	-	-	-
Amount recognised in the balance sheet	-	-	-	-
Net asset / (liability) - Current	0.90	0.39	1.30	0.84
Net asset / (liability) - Non Current	19.65	10.87	12.43	8.49



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****III Expenses recognized in the statement of profit and loss for the year:**

Current Service Cost	5.39	3.34	6.80	4.39
Interest Cost on benefit obligation (Net)	0.78	0.53	0.64	0.40
Total expenses included in employee benefits expenses	6.17	3.87	7.44	4.79

IV Recognized in other comprehensive income for the year:

Actuarial Changes arising from changes in demographic assumption	-	-	-	-
Actuarial Changes arising from changes in financial assumption	(0.26)	0.11	(0.27)	0.09
Actuarial Changes arising from changes in experience assumption	3.55	(0.35)	0.18	(1.26)
Return on plan assets excluding interest income	-	-	-	-
Recognized in other comprehensive income for the year:	3.29	(0.24)	(0.09)	(1.17)

V Maturity profile of defined benefit obligation:

Within the next 12 months (next annual reporting period)	0.90	0.39	1.30	0.84
Between 2 and 5 years	5.23	0.95	4.19	0.33
Between 6 and 10 years	9.26	9.71	4.32	1.45

VI Quantitative Sensitivity analysis for significant assumption is as below:

1 1% point Increase in discount rate	20.46	10.24	12.50	8.51
1% point decrease in discount rate	20.63	12.45	15.15	10.31
1% point Increase rate of salary Increase	22.87	12.50	15.21	10.35
1% point decrease rate of salary Increase	18.55	10.18	12.43	8.46
1% point Increase rate of employee turnover rate	18.66	11.14	13.85	9.40
1% point decrease rate of employee turnover rate	22.77	11.38	13.58	9.26

2 Sensitivity Analysis Method:

Sensitivity Analysis is determined based on the expected movement in liability if the assumption were not proved to be true on different count.

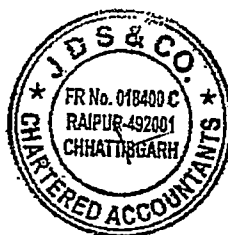
Particulars	Gratuity		Leave	
	2021-22	2020-21	2021-22	2020-21
	Non Funded	Non Funded	(Non Funded)	(Non Funded)

VII Actuarial assumptions:

1 Discount rate	7.10%	6.90%	7.10%	6.90%
2 Salary escalation	6.00%	6.00%	6.00%	6.00%
3 Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
4 Mortality post retirement rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
5 Rate of Employee Turnover	1% to 8%	1% to 8%	1% to 8%	1% to 8%

Expected contribution to the defined plan for the next reporting period:**Notes:**

- The actuarial valuation of plan assets and the present value of the defined obligation were carried out at 31st March, 2022. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured using the projected Unit Credit Method.



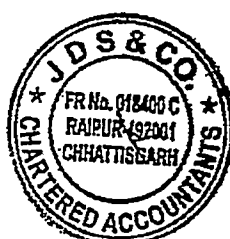
JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****34. Segment-wise Revenue Results :**

Basis of preparation :

- i) Business segments of the company have been identified as distinguishable components that are engaged in a group of related product and that are subject to risks and returns different from other business segments. Accordingly wire drawing division and Power have been identified as the business segments.
- ii) The geographic segments identified as secondary segments are "Domestic Market" and "Export Market". Since there is no Export Market Revenue, the same has not been disclosed. The entire capital employed is within India.

Particulars	Year Ended	Year Ended
	31.03.2022	31.03.2021
	Audited	Audited
Particulars		
Segment Revenue		
- Steel	-	-
- Power	7500.68	6382.40
Total Income from Operations	7500.68	6382.40
Segment Result		
- Steel	-	-
- Power	517.07	343.19
Unallocable income/(expenditure)	133.63	384.11
Profit before finance and tax	650.70	727.30
Less: Finance Cost	17.35	7.38
Profit before tax	633.35	719.92
Less: Exceptional item	0.00	0.00
Profit before tax	633.35	719.92
Less: Tax expenses	168.56	211.78
Profit after tax	464.78	508.14

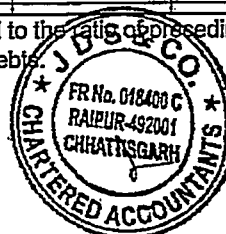
Particulars	Year Ended	Year Ended
	31.03.2022	31.03.2021
	Audited	Audited
Segment Assets:		
- Steel	-	12.10
- Power	3543.65	2929.12
- Unallocable	8224.09	6294.00
Segment Liabilities:		
- Steel	-	-
- Power	3167.56	961.39
- Unallocable	253.87	389.99



JAGDAMBA POWER & ALLOYS LIMITED**Notes to financial statements for the year ended 31st March, 2022****35. Financial Ratios**

Particulars	Numerator	Denominator	As at 31.03.2022	As at 31.03.2021	% Variance
1. Current Ratio The current ratio indicates a company's overall liquidity position. It is widely used by banks in making decisions regarding the advancing of working capital credit to their clients.	Current Assets	Current Liabilities	0.68	0.80	-14.97
2. Debt-Equity Ratio Debt-to-equity ratio compares a Company's total debt to shareholders equity. Both of these numbers can be found in a Company's balance sheet.	Total Debt	Total Shareholders' Equity	0.03	0.03	-6.22
3. Debt Service Coverage Ratio Debt Service coverage ratio is used to analyse the firm's ability to pay-off current interest and instalments.	Net Profit after taxes + depreciation + Interest + loss/(profit) on sale of PPE etc.	Interest + Principal Repayments	24.61	33.26	-26.00
4. Return on Equity Ratio It measures the profitability of equity funds invested in the Company. The ratio reveals how profitability of the equity-holders' funds have been utilized by the Company. It also measures the percentage return generated to equity-holders.	Net Profits after taxes	Average Shareholders' Equity	60.60%	66.25%	-8.53
5. Trade Receivables turnover ratio It measures the efficiency at which the company is managing the receivables.	Net Credit Sales	Average Trade Receivables	1240.20	197.92	526.61
7. Trade payables turnover ratio It indicates the number of times sundry creditors have been paid during a period. It is calculated to judge the requirements of cash for paying sundry creditors. It is calculated by dividing the net credit purchases by average creditors.	Net credit purchases	Average Trade payables	29.72	15.66	89.72
8. Net capital turnover ratio It indicates a company's effectiveness in using its working capital.	Net Sales	Working Capital	-7.38	-28.33	-73.95
9. Net profit ratio It measures the relationship between net profit and sales of the business.	Net Profit	Net Sales	6.20%	7.96%	-22.17
10. Return on Capital employed Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders. Higher the ratio, more efficiently is the capital being employed by the company to generate returns.	Earning before interest and taxes	Tangible Net Worth + Total Debt - Deferred Tax Assets	7.63%	9.09%	-16.09

Note : Variance in the ratio by more than 25% as compared to the ratio of preceding year is mainly on account of decrease in trade payable, receivables and repayment of debts.



JAGDAMBA POWER & ALLOYS LIMITED

Notes to financial statements for the year ended 31st March, 2022

36. The company has taken steps for getting the required informations but none of the supplier has provided information about their being Micro, Small and Medium Enterprises under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at 31st March, 2022. Therefore no details could be disclosed as required.
37. During the year the company has incurred ₹ 7.00 lacs on account of Corporate Social Responsibility Activities. According to provisions of section 135 of the Companies Act, 2013, the company is required to spend ₹ 6.87 lacs amount based on the average net profits/loss of the previous three years. The break-up of amount spent during the year are as follows:


Particulars	In Cash	Yet to be Paid In Cash	Total
- Construction/acquisition of any assets	7.00	-	7.00
- On Purpose other than above	-	-	-

No unspent amount was pending towards Corporate Social Responsibility as on 31.03.2022, however, the company has incurred excess amount of ₹ 0.13 lac during the year.

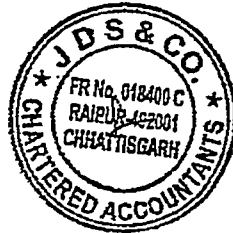
38. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

For JDS & Co

(ICAI Firm Reg. No.018400C)
Chartered Accountants


Sanjay Dewangan
Partner
Membership No.409524

Place : Raipur
Date : 12.05.2022





For and on behalf of the Board of Directors of

Jagdamba Power & Alloys Limited


Alok Agrawal
Managing Director
DIN : 00494805


M. Chandramohan Rao
CFO


Arun Poddar
Director
DIN: 02992106


Shweta Sharma
Company Secretary
A55821

JDS & Co

CHARTERED ACCOUNTANTS

6-CENTRAL AVENUE, CHOUBE COLONY,

RAIPUR - 492001 (C.G.),

PHONE: 0771 - 4041236;

E-mail: jdscoaiipur@gmail.com

Independent Auditor's Review Report on the Unaudited Financial Statements of the Company for the period ended 31st July 2022

We have reviewed the accompanying Unaudited Financial Statements of Jagdamba Power & Alloys Limited ("the Company"), which comprise the unaudited balance sheet as at 31st July, 2022, the unaudited statement of profit and loss (including other comprehensive income) for the period ended July 31, 2022 and the unaudited statement of change in equity as at 31st July, 2022 alongwith significant accounting policies and notes to the unaudited interim financial statement (the "Statement") attached herewith.

The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 ("the Act") as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain a moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the standards on auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognized accounting principles and policies generally accepted in India including the manner in which it is to be disclosed, or that it contains any material misstatement.

The report has been prepared only for the Board of Directors of the Company for the purpose of submission before NCLT in respect of proposed scheme of amalgamation of Jagdamba Power & Alloys Limited with Hira Steels Limited. We do not accept or assume responsibility for any other purpose except as expressly agreed by our prior consent in writing.

Place : Raipur
Date : 15.09.2022



For JDS & Co.
(ICAI Regn. No.018400C)
Chartered Accountants

(Signature)
(Sanjay Kumar Dewangan)
Partner

Membership No. 409524

UDIN:224109524ATDZPL3677

JAGDAMBA POWER & ALLOYS LIMITED
Unaudited Balance Sheet as at 31st July, 2022

Particulars	Notes	As at 31.07.2022 ₹	As at 31.03.2022 ₹
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	35,02,712	37,21,404
(b) Capital work-in-progress	3	32,73,673	32,73,673
(c) Financial assets			
(i) Investments	4	28,17,45,900	28,17,45,900
(ii) Loans	5	1,16,03,57,011	48,27,56,629
(d) Deferred tax assets (net)	6	16,39,065	27,83,782
(e) Other non-current assets	7	20,50,699	20,50,699
		1,45,25,69,060	77,63,32,087
(2) Current-assets			
(a) Financial assets			
(i) Bank, Cash and cash equivalents	8	7,96,601	84,74,769
(b) Current tax assets(Net)		-	44,12,546
(c) Other current assets	7	2,20,11,800	1,62,98,243
(3) Assets Classified as Discontinued Operations		23,54,64,440	37,12,56,263
		25,82,72,841	40,04,41,821
Total Assets		1,71,08,41,901	1,17,67,73,908
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	5,06,47,000	7,66,97,000
(b) Other equity		1,15,35,61,610	75,79,34,316
Liabilities			
(1) Non-current liabilities			
(a) Financial Liabilities			
- Borrowings	10	2,06,23,129	2,01,51,636
(b) Provisions	11	2,95,621	2,05,411
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	6,17,679	11,02,067
(ii) Trade Payables	13		
* - total outstanding dues of micro enterprises and small enterprises		-	-
* - total outstanding dues of creditors other than micro enterprises and small enterprises		40,86,404	29,97,644
(iii) Other Financial Liabilities	14	49,53,675	11,35,550
(b) Other current liabilities	15	58,47,153	-
(c) Current tax liability		12,04,19,844	-
(3) Liabilities Classified as Discontinued Operations		34,97,89,786	31,65,50,284
Total Equity and Liabilities		1,71,08,41,901	1,17,67,73,908

SIGNIFICANT ACCOUNTING POLICIES

2.1

The accompanying notes are integral part of the financial statements.

As per our limited review report of even date.

For JDS & Co

(ICAI Firm Reg. No.018400C)
Chartered Accountants

Sanjay Dewangan
Partner
Membership No.409524



For and on behalf of the Board of Directors of
Jagdamba Power & Alloys Limited

Niket Khandeiwal
Director
06361486

Arun Poddar
Director
02992106

Shweta Sharma
Company Secretary

Place : Raipur
Date : 15.09.2022

JAGDAMBA POWER & ALLOYS LIMITED**Unaudited Statement of Profit & Loss for the period ended 31st July, 2022**

	Notes	31.07.2022 ₹	31.03.2022 ₹
INCOME			
Other Income	16	2,33,08,699	3,50,74,153
TOTAL REVENUE (I)		2,33,08,699	3,50,74,153
EXPENDITURE			
Employee benefits expense	17	57,132	-
Finance costs	18	5,08,659	16,61,445
Depreciation expense	19	2,18,692	10,62,891
Other Expenses	20	63,20,119	2,04,58,845
TOTAL EXPENDITURE (II)		71,04,601	2,31,83,181
Profit/(loss) before tax		1,62,04,098	1,18,90,972
Tax expenses			
Current tax		37,36,134	18,24,635
Deferred Tax		(8,62,343)	12,89,678
Total tax expenses		28,73,792	31,14,313
Profit/(loss) for the period from continuing operations		1,33,30,306	87,76,660
Profit/(loss) from discontinued operations			
Profit/(loss) from discontinuing operations before tax		53,21,47,045	5,14,43,926
Tax expenses of discontinued operations			
Current tax		12,11,55,948	80,51,362
Deferred Tax		22,83,079	56,90,819
Total tax expenses		12,34,39,026	1,37,42,181
Profit/(loss) for the period from Discontinued operations (after tax)		40,87,08,019	3,77,01,745
Profit/(loss) for the period		42,20,38,324	4,64,78,405
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans, Gross		(9,92,164)	(3,20,309)
Income tax relating to items that will not be reclassified to profit or loss		2,76,020	89,110
Total Comprehensive Income for the period		42,13,22,180	4,62,47,206
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2022" ₹ 10/-)] (For Continuing Operation)			
Basic	21	2.63	1.14
Diluted		2.63	1.14
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2022" ₹ 10/-)] (For Discontinuing Operation)			
Basic		80.70	4.92
Diluted		80.70	4.92
Earnings per equity share [nominal value of share @ ₹ 10/- (31st March, 2022" ₹ 10/-)] (For Continued & Discontinuing Operation)			
Basic		83.33	6.06
Diluted		83.33	6.06

SIGNIFICANT ACCOUNTING POLICIES

2.1

The accompanying notes are integral part of the financial statements.

As per our limited review report of even date

For JDS & Co

(ICAI Firm Reg. No.018400)

Chartered Accountants

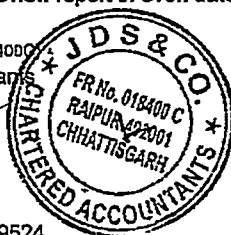
Sanjay Dewangan

Partner

Membership No.409524

Place : Raipur

Date : 15.09.2022



For and on behalf of the Board of Directors of Jagdamba Power & Alloys Limited

Niket Khandelwal

Director

06361426

Arun Poddar

Director

02992106

Shweta Sharma
Company Secretary

JAGDAMBA POWER & ALLOYS LIMITED**Unaudited Statement of changes in Equity****Equity Share Capital**

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the respective reporting periods	Changes in the equity share capital during the year	(Amount in ₹) Balance as at 31.03.2022
Equity Share Capital	7,66,97,000	-	-	-	7,66,97,000

Particulars	Balance as at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the respective reporting periods	Changes in the equity share capital during the year	Balance as at 31.07.2022
Equity Share Capital	7,66,97,000	-	-	(2,60,50,000)	5,06,47,000

Other Equity

Particulars	Other Equity			(Amount in ₹)
	Reserves and Surplus	Other Comprehensive Income	Capital Redemption Reserve	Total Other Equity
	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)		
Balance as of April 1, 2021	71,14,05,968	2,81,142	-	71,16,87,110
Actuarial Gain/Loss on employee benefit (Net of Tax)	(2,31,199)	-	-	(2,31,199)
Profit/(loss) for the period	4,64,78,405	-	-	4,64,78,405
Balance as on March 31, 2022	75,76,53,174	2,81,142	-	75,79,34,316

Particulars	Other Equity			
	Reserves and Surplus	Other Comprehensive Income	Capital Redemption Reserve	Total Other Equity
	Retained Earnings	Equity Instruments through Other Comprehensive Income (Net of Tax)		
Balance as of April 1, 2022	75,76,53,174	2,81,142		75,79,34,316
Buyback of 26,05,000 Equity Share @ Rs. 18	(2,08,40,000)			(2,08,40,000)
Transfer to Capital Redemption Reserve A/c	(2,60,50,000)		2,60,50,000	-
Tax on buy back of shares	(48,54,886)			(48,54,886)
Actuarial Gain/Loss on employee benefit (Net of Tax)	(7,16,144)	-		(7,16,144)
Profit/(loss) for the period	42,20,38,324	-		42,20,38,324
Balance as on July 31, 2022	1,12,72,30,468	2,81,142	2,60,50,000	1,15,35,61,610

The accompanying notes are integral part of the financial statements.

As per our limited review report of even date

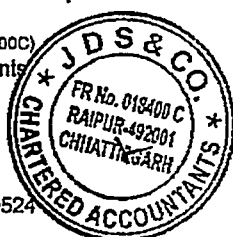
For JDS & Co

(ICAI Firm Reg. No.018400C)

Chartered Accountants

Sanjay Dewangan
Partner

Membership No.409524



For and on behalf of the Board of Directors of
Jagdamba Power & Alloys Limited

Niket Khandelwal
Director
06361486

Arun Poddar
Director
02332106

Shweta Sharma
Company Secretary

Place : Raipur
Date : 15.09.2022

JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022****1. Corporate Information**

Jagdamba Power & Alloys Limited (the company) is a company domiciled in India and incorporated under the provisions of the Companies Act. The company is mainly engaged in Generation of Electricity, however as on 07.06.2022, the company has sold its power business on slump sale basis.

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation**

- i) The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.
- ii) The interim financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:
 - Certain financial assets and liabilities and
 - Defined benefit plans - plan assets

2.2 Summary of significant accounting policies**a) Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

b) Fair Value Measurement

The company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

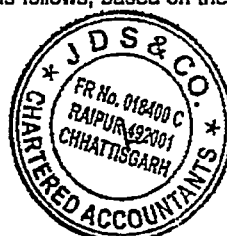
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
 - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the company.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability.

c) Property, Plant and Equipment (PPE)

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The cost of an item of property, plant and equipment is measured at :

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation which is to be incurred either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

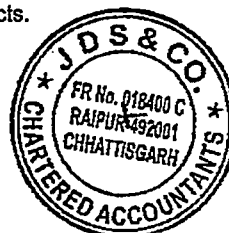
After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

d) Capital work in progress

Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Profit or Loss.

e) Depreciation and amortisation

- i) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the date on which the asset is available for use / disposal.
- ii) Depreciation on the property, plant and equipment is provided over the useful life of assets as per written down value method as specified in Schedule II to the Companies Act, 2013.
- iii) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery.

f) Taxes on Income

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

g) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.

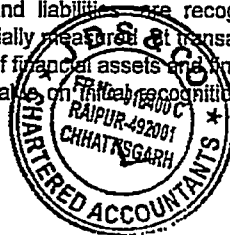
If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable.

h) Financial Instruments**Initial Recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022****Subsequent measurement****Non-derivative financial instruments****(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Share capital**Ordinary Shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

i) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

j) Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022****k) Other Income**

Other income is comprised primarily of interest income and dividend income. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

l) Statement of cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant Accounting Standard.

m) Inventories :

- i) Inventories are valued at lower of cost and net realisable value, after providing for obsolescences, if any.
- ii) Cost of Raw Materials and stores & spares, Finished Goods & Goods in Process are computed on FIFO basis.
- iii) Cost of Finished Goods and Goods in Process includes direct materials, labour, conversion and proportion of manufacturing overheads incurred in bringing the inventories to their present location and condition.
- iv) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipments and are valued at costs or net realizable value (NRV) whichever is lower. The cost is determined using FIFO and NRV is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.
- v) The amount of any write-down of inventories to net realisable value and all losses of inventories is recognized as an expense in the period in which write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the net realisable value is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

n) Revenue recognition

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the company expects to receive in exchange for those products.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

- i) Revenue from sales of goods is recognised on output basis measured by units delivered, number of transactions etc.
- ii) Revenue from sales of goods is recognised at the point in time when control is transferred to the customer which coincides with the performance obligation under the contract with the customer.

Interest income

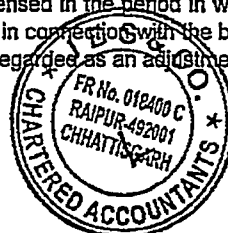
Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the company's right to receive payment is established, which is generally when shareholders approve the dividend.

o) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of Interest and other costs that an entity incurs in connection with the borrowing of the funds. Borrowing costs also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



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JAGDAMBA POWER & ALLOYS LIMITED

Notes to unaudited interim financial statements for the period ended 31st July, 2022

p) **Foreign Currency Transactions**

- i) Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date.

q) **Employee Benefits Expenses**

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund and Contributory Pension Fund. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefits Plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The company has recognized the gratuity payable to the employees as per the Payment of Gratuity Act, 1972 and Leave Encashment Benefits as defined benefit plans. The liability in respect of these benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

r) **Earnings Per Share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

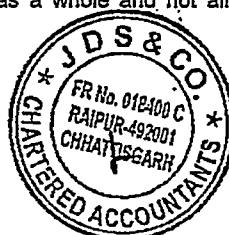
s) **Segment Reporting Policies:**

Identification of segments :

The Chief Operational Decision Maker monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products.

- i) Segment revenue includes sales and other income directly identifiable with/allocable to the segment including inter-segment revenue.
- ii) Expenses that are directly identifiable with/allocable to segment are considered for determining segment results. Expenses that relate to company as a whole and not allocable to segment are included under unallocable expenditure.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

- iii) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
- iv) Segment results includes margin on inter-segment and sales which are reduced in arriving at the profit before tax of the company.
- v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

Inter segment Transfers :

Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

2.4 KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

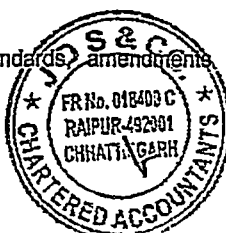
The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

- a) **Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**
Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The estimated useful lives and residual values of the assets are reviewed annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes and other related matters. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.
- b) **Recoverability of trade receivable**
Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the period of overdues, the amount and timing of anticipated future payments and the probability of default.
- c) **Provisions**
Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of resources resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.
- d) **Impairment of non-financial assets**
The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.
- e) **Measurement of defined benefit obligations**
The measurement of defined benefit and other post-employment benefits obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.5 New and amended standards

The company has not early adopted any standards/ amendments that have been issued but are not yet effective/notified.



JAGDAMBA POWER & ALLOYS LIMITED
Notes to unaudited interim financial statements for the period ended 31st July, 2022
3. Property, Plant and Equipment

	Freehold Land	Site & Land Development	Plant & Machinery	Factory Shed & Building	Vehicles	Heavy Vehicles	Office Equipment	Computers & Printers	Furniture & Fixture	Total
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Gross Block										
Carrying value										
At 1 April 2021	63,32,240	99,08,463	24,54,05,855	1,28,46,330	1,60,37,370	14,88,565	11,16,342	4,06,698	9,65,859	29,45,07,723
Less : Assets Classified as Discontinued Operation	52,06,055	99,08,463	24,54,05,855	1,28,46,330	-	14,88,565	11,16,342	4,06,698	9,65,859	27,73,44,168
	11,26,185	-	-	-	1,60,37,370	-	-	-	-	1,71,63,555
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March, 2022	11,26,185	-	-	-	1,60,37,370	-	-	-	-	1,71,63,555
Additions	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 st July, 2022	11,26,185	-	-	-	1,60,37,370	-	-	-	-	1,71,63,555
Depreciation										
At 1 April 2021	-	-	10,03,53,287	55,71,161	1,23,79,260	12,52,120	8,22,332	2,07,971	7,46,007	12,13,32,137
Less: Classified as Discontinued Operation	-	-	10,03,53,287	55,71,161	-	12,52,120	8,22,332	2,07,971	7,46,007	10,89,52,877
	-	-	-	-	1,23,79,260	-	-	-	-	1,23,79,260
Charge for the year	-	-	-	-	10,62,891	-	-	-	-	10,62,891
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 March, 2022	-	-	-	-	1,34,42,151	-	-	-	-	1,34,42,151
Charge for the year	-	-	-	-	2,18,692	-	-	-	-	2,18,692
At 31 st July, 2022	-	-	-	-	1,36,60,842	-	-	-	-	1,36,60,842
Net Block										
At 31 March, 2022	11,26,185	-	-	-	25,95,219	-	-	-	-	37,21,404
At 31 st July, 2022	11,26,185	-	-	-	23,76,528	-	-	-	-	35,02,712

Capital Work In progress (CWIP)

	At 1 April 2021	Addition	Deduction	At 31 March, 2022	Addition	Deduction	At 31 st July, 2022
Project temporarily suspended	32,73,673	0	0	32,73,673	0	0	32,73,673
	32,73,673	0	0	32,73,673	0	0	32,73,673

Details of Capital Work in Progress

Project temporarily suspended

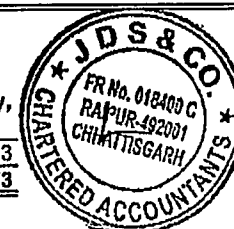
Amount in CWIP for a period of 31.07.2022				Total
< 1 year	1-2 years	2-3 years	> 3 years	
-	-	-	32,73,673	32,73,673

Details of Capital Work in Progress

Project temporarily suspended

Amount in CWIP for a period of 31.03.2022				Total
< 1 year	1-2 years	2-3 years	> 3 years	
-	-	-	32,73,673	32,73,673

There is no completion of CWIP is overdue or has exceeded its cost compared to its original plant.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022****4. Non-current investments****Carried at Fair Value through OCI****Unquoted equity instruments, fully Paid up**

500 Shares of Vimla Infrastructure (I) Pvt. Ltd. of ₹ 10/- each fully Paid up

16,45,900

16,45,900

600000 Shares of Varda Energy & Engineering Pvt. Ltd. of ₹ 10/- each fully Paid up

81,00,000

81,00,000

Unquoted preference shares, fully paid up

130000 0.01% Non Cumulative Non Participative Optionally Convertible

Redeemable Preference Shares of Him Sagar Minerals Pvt. Ltd. of ₹ 10/- each fully paid up

1,30,00,000

1,30,00,000

1950000 0.01% Non Cumulative Non Participating Optionally Convertible

Redeemable Preference Shares of Hira Steels Ltd. of ₹ 10/- each fully paid up

19,50,00,000

19,50,00,000

460000 0.01% Non Cumulative Non Participative Optionally Convertible

Redeemable Preference Shares of M.T. Realtors Pvt. Ltd. of ₹ 10/- each fully paid up

4,60,00,000

4,60,00,000

300000 0.01% Non Cumulative Non Participative Optionally Convertible

Redeemable Preference Shares of Vrajesh Steels Pvt. Ltd. of ₹ 10/- each partly paid up

1,80,00,000

1,80,00,000

28,17,45,900

28,17,45,900

5. Loans**Non Current**

31.07.2022

31.03.2022

Loans to body corporate (Unsecured, considered good)

1,16,03,57,011

48,27,56,629

1,16,03,57,011

48,27,56,629

Note: No loans are due from directors or KMP or Promoters or related parties.

6. Deferred Tax Assets/(Liabilities)

31.07.2022

31.03.2022

Deferred Tax Liability

₹

₹

Temporary differences on account of PPE & Other Intangible assets

12,00,013

(2,01,89,515)

Deferred Tax Assets

Temporary differences on account of Employee Benefits

86,084

9,53,614

Unused MAT Credit

-

2,16,66,715

Temporary differences on account of fair valuation of Investments

3,52,968

3,52,968

Net deferred tax Assets

16,39,065

27,83,782

RECONCILIATION OF DEFERRED TAX ASSETS/LIABILITIES (NET)

31.07.2022

31.03.2022

₹

₹

Deferred tax (liability)/assets at the beginning of the year

96,75,169

2,00,88,497

Deferred tax (liability) / assets during the year on account of timing difference

2,05,21,998

(45,16,405)

MAT Credit (utilized)/arised

(2,16,66,715)

(58,96,924)

NET DEFERRED TAX ASSETS/LIABILITIES AT THE END OF THE YEAR

85,30,452

96,75,169

7. Other Assets (unsecured, considered good)**Non-current**

31.07.2022

31.03.2022

₹

₹

Current

31.07.2022

31.03.2022

₹

₹

Advances other than capital advances

Security deposit

20,50,699

20,50,699

Claim receivables

-

66,48,939

66,48,939

Advance to Vendors

-

27,94,722

14,53,448

Prepaid expenses

71,564

1,11,827

Balance with statutory / govt. authorities

-

1,24,96,575

80,84,029

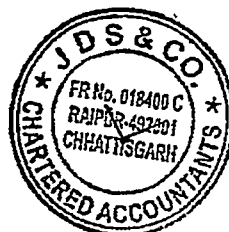
Total

20,50,699

20,50,699

2,20,11,800

1,62,98,243



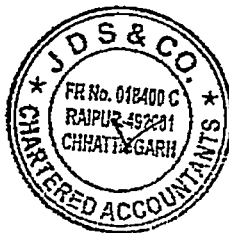
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JAGDAMBA POWER & ALLOYS LIMITED

Notes to unaudited interim financial statements for the period ended 31st July, 2022

	Current	
	31.07.2022	31.03.2022
8. Bank, Cash and cash equivalents		
Cash and cash equivalents	₹	₹
Balances with banks:		
On current accounts	95,861	76,46,345
Deposit with Bank with original maturity less than 3 months	14,98,919	14,78,890
Cash in hand	83,652	1,00,879
	<u>16,78,432</u>	<u>92,26,114</u>
Less: Overdraft facility from Bank	8,81,831	7,51,346
	<u>7,96,601</u>	<u>84,74,769</u>

The overdraft facility from bank is secured by pledge of fixed deposit receipts from bank.



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

	31.07.2022 ₹	31.03.2022 ₹
9. Equity Share capital		
Authorised		
10000000 Equity Shares of ₹ 10/- each	10,00,00,000	10,00,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued, subscribed and fully paid-up		
5064700 (7669700) Equity Shares of ₹ 10/- each	5,06,47,000	7,66,97,000
fully paid-up	<u>5,06,47,000</u>	<u>7,66,97,000</u>

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

Equity shares	31.07.2022		31.03.2022	
	No.	₹	₹	No.
At the beginning of the period	76,69,700	7,66,97,000	76,69,700	7,66,97,000
Less:- Buy Back during the period	26,05,000	2,60,50,000	-	-
Outstanding at the end of the period	<u>50,64,700</u>	<u>5,06,47,000</u>	<u>76,69,700</u>	<u>7,66,97,000</u>

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share.

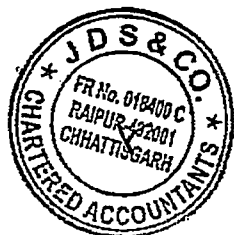
In the event of liquidation of the company, the holders of the equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	31.07.2022		31.03.2022	
	No.	% of holding in the class	No.	% of holding in the class
Equity shares of ₹ 10/- each fully paid				
Shri Alok Agarwal	23,33,000	46.06	23,33,000	30.42
Sagar Energy & Steels Pvt. Ltd	9,40,000	18.56	9,40,000	12.26
Godawari Power & Ispat Limited	-	-	26,05,000	33.97
Shri Amit Agrawal	17,91,400	35.37	17,91,400	23.36
	<u>50,64,400</u>	<u>99.99</u>	<u>76,69,400</u>	<u>100.00</u>

d. Shares held by promoters at 31 July 2022

Promoter Name	No. of Shares	% of total shares	% Change during the period
Shri Alok Agarwal	23,33,000	46.06	15.64
Shri Amit Agrawal	17,91,400	35.37	12.01
Sagar Energy & Steels Pvt. Ltd	9,40,000	18.56	6.30
Nisha Agrawal	100	0.001	-
Richa Agrawal	100	0.001	-
Amit Agrawal HUF	100	0.001	-

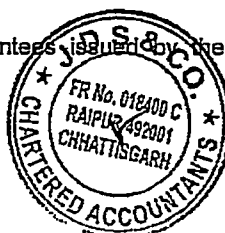


JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

18. Finance Costs	31.07.2022	31.03.2022
	₹	₹
Interest		
- on other loans	19,236	1,39,204
- on others	4,89,423	15,22,241
	5,08,659	16,61,445
19. Depreciation expense	31.07.2022	31.03.2022
	₹	₹
Depreciation on Property, Plant and Equipment	2,18,692	10,62,891
	2,18,692	10,62,891
20. Other Expenses	31.07.2022	31.03.2022
	₹	₹
Rates and taxes		
-Other	1,500	5,861
Insurance	58,328	3,49,185
Electricity Charges	33,404	-
Directors Remuneration	60,00,000	1,80,00,000
Vehicle Running & Maintenance	2,16,887	9,47,299
Payment to Auditor	10,000	50,000
Miscellaneous expenses	-	11,06,500
	63,20,119	2,04,58,845
21. Earnings per share (EPS)	31.07.2022	31.03.2022
	₹	₹
Nominal Value of Equity Shares	10	10
Weighted average number of Equity Shares used as denominator for calculating basic EPS	50,64,700	76,69,700
Weighted average number of Equity Shares used as denominator for calculating Diluted EPS	50,64,700	76,69,700
For Continued Operation		
Net Profit/(loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders	1,33,30,306	87,76,660
Basic	2.63	1.14
Diluted	2.63	1.14
For Discontinued Operation		
Net Profit/(loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders	40,87,08,019	3,77,01,745
Basic	80.70	4.92
Diluted	80.70	4.92
For Continued & Discontinued Operation		
Net Profit/(loss) after tax as per Statement of Profit & Loss attributable to Equity Shareholders	42,20,38,324	4,64,78,405
Basic	83.33	6.06
Diluted	83.33	6.06

22. Contingent Liabilities not provided for, are in respect of :-

- I. Disputed liability of ₹ 1027.40 lacs (Previous Year ₹ 1027.40 Lacs) on account of Excise and Service Tax against which the company has preferred an appeal.
- II. Disputed liability of ₹ 56.86 lacs (Previous Year ₹ 56.86 Lacs) on account of Income Tax against which the company has preferred an appeal.
- III. Counter Guarantees given against the bank guarantees issued by the companies banker aggregating to Rs.256.95 lacs (P.Y.256.95 lacs).



JAGDAMBA POWER & ALLOYS LIMITED**Notes to unaudited interim financial statements for the period ended 31st July, 2022**

23. During the period, the board of directors of the company, in its meeting held on 12th May, 2022 approved to sell/disposed off its Power Generation Business Unit situated at Murethi, Siltara, Raipur (Chhattisgarh)-491340, on a slump sale basis as a going concern and the same has also been approved by the shareholders in the Extra Ordinary General Meeting held on 4th June, 2022. As at 31st March 2022, the carrying amount of such assets and liabilities of discontinuing operations which were not disposed off for previous year was Rs 3712.56 lacs and Rs 3165.50 lacs respectively. The following statement shows the revenue and expenses of continuing and discontinuing operations:

SI No.	Particulars	Discontinuing Operations	
		31.07.2022	31.03.2022
I	Revenue		
	Revenue from operations	13,92,72,754	75,00,68,394
	Other Income*	52,08,73,846	17,82,110
	TOTAL REVENUE (I)	66,01,46,600	75,18,50,504
II	Expenditure		
	Cost of raw material and component consumed (net of disposal)	9,99,00,654	54,51,28,268
	Employees benefits expense	83,54,420	4,02,37,401
	Finance costs	4,323	73,643
	Depreciation and amortization expense	29,85,300	2,05,56,069
	Other Expenses	1,67,54,858	9,44,11,198
	TOTAL EXPENDITURE (II)	12,79,99,555	70,04,06,578
III	Profit before tax (I - II)	53,21,47,045	5,14,43,926
IV	Tax Expense		
	Current Tax	12,11,55,948	80,51,362
	Deferred Tax	22,83,079	56,90,819
V	Profit after tax (III - IV)	40,87,08,019	3,77,01,745
VI	Other Comprehensive Income		
	Re-measurement gain/(loss) on defined benefit plans, Gross	(9,92,164)	(3,20,309)
	Income tax relating to items that will not be reclassified to profit or loss	2,76,020	89,110
VII	Total Comprehensive income for the year (V+VI)	40,79,91,875	3,74,70,546

* Other Income for the period ended amounting to Rs.5208.02 lacs includes gain on business transfer.

