



**Loharuka & Associates**  
Chartered Accountants

Networking Member of:

**Singhi & Associates**

Kolkata, India

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**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BHAGYANAGAR COPPER PRIVATE LIMITED  
(EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED')  
Report on the Audit of Financial Statements  
Opinion**

We have audited the accompanying financial statements of **BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED')** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the statement of change in Equity for the year then ended and notes to the financial statements, including the summary of the 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 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 (comprising of profit and other comprehensive income) its cash flows and changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the 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 Responsibility 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 provision of the Act and the Rules made there under, 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 financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters below to be the key audit matters to be communicated in our report.

We have determined that there are no other key matters to communicate in our reports.



Kolkata

New Delhi

Mumbai

Chennai

Guwahati

Bengaluru



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

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

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

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

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

## **Management Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of Financial Statements.**

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





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

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

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, 2022 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" 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 the statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with 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, no remuneration has been 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 other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company does not have any pending litigations which would impact its financial position.





- (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.
- (iv) a) The Management of the company have represented to us, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from the 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 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 of the Company have represented to us, to the best of the knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity ("Funding parties") with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company, nothing has come to our notice that has caused us to believe that the representations are under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 018825

  
Rameshchand Jain  
(Partner)

Membership No.023019

UDIN: 22023019AJUCOL2964

Place: Secunderabad  
Date: 27<sup>th</sup> May, 2022



## **ANNEXURE "A" "TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED' ) of even date)**

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

We have audited the internal financial controls with reference to Financial Statements of **BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER 'AANVIK MERCANTILE PRIVATE LIMITED' )** ("the Company") as of 31 March, 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

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

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

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





### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, 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 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 Institute of Chartered Accountants of India.

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 018825



  
Rameshchandra Jain  
(Partner)

Membership No.023019

UDIN: **22023019AJUCOL2964**

Place: Secunderabad

Date: 27<sup>th</sup> May, 2022



## 'ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members BHAGYANAGAR COPPER PRIVATE LIMITED (EARLIER 'AANVIK MERCANTILE PRIVATE 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 not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i) (a) (B) of the Order is not applicable to the Company.
  - b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. According to the information and explanation given to us by the management, no material discrepancies have been noticed on such verification.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) included in Property, Plant and Equipment are held in the name of company.
  - d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year ended March 31, 2022.  
  
a) As explained to us, there are 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 inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.  
  
(b) As disclosed in *note* to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks are in agreement with the books of accounts of the Company. The Company does not have any working capital limits sanctioned from financial institutions.
- (iii) During the year, the Company has not made any investments, not provided any loans, advances in the nature of loans, stood guarantee or provided security to any companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions of clause 3(iii) of the Order to such extent is not applicable to the Company.





- (iv) In our opinion and according to the information and explanations given to us, there are no investments, loan, guarantees and securities given in respect of which the provisions of section 185 and 186 of the Act, are applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3 (v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the company prescribed by the Central Government of India under section 148(1) of the Act and are of the opinion that prima facie the prescribed accounts and records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us and based on the records of the company examined by us, in respect of statutory dues:
- (a) the company is generally regular in depositing the undisputed statutory dues, including Provident Fund, , Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other statutory dues, as applicable, with the appropriate authorities in India;
- (b) there are no dues of Income Tax, goods and service tax, provident fund, employees' state insurance, customs duty, cess and any other statutory dues which have not been deposited on account of any disputes.
- (viii) According to the records of the company examined by us and as per the information and explanation given to us, 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) According to the records of the company examined by us and as per 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 financial institution or banks or lender.
- (b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the records of the company examined by us and as per the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the records of the company examined by us and as per the information and explanations given to us, on an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



- (e) According to the records of the company examined by us and as per the information and explanations given to us, 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 or associate companies.
- (f) According to the records of the company examined by us and as per the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given to us and based on our examination of the records of the company, 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) According to the information and explanations given to us and based on our examination of the records of the company, during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year under audit and hence reporting under clause 3(x) (b) of the Order is not applicable.
- (xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, during the year and upto the date of this audit report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, during the year there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties, are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) 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. 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) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) According to the information and explanations given to us and based on our examination of the records of the company, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) 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) In our opinion, there is no cash loss in the financial year and in 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) According to the information and explanations given to us and based on our examination of the records of the company, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly reporting under clause 3(xx) (a) and (b) of the Order is not applicable.

Place: Secunderabad  
Date : 27<sup>th</sup> May 2022



For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 018825

  
Rameshchandra Jain  
(Partner)

Membership No.023019  
UDIN: 22023019AJUCOL2964

# BHAGYANAGAR COPPER PRIVATE LIMITED

(EARLIER AANVIK MERCANTILE PRIVATE LIMITED)

**BALANCE SHEET AS AT 31st MARCH, 2022**

CIN: U27100MH2008PTC181786

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	Note No.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
(i) Property, Plant and equipment	5	3,854.66	3,912.23
(ii) Financial Assets			
- Other Non current Financial Assets	6	47.49	41.54
<b>CURRENT ASSETS</b>			
(i) Inventories (Valued at lower of Cost and Net Realisable value)	7	2,157.60	1,480.42
(ii) Financial Assets			
a -Trade Receivables	8	2,445.88	3,142.61
b -Cash and Cash Equivalents	9	909.50	4.32
c -Bank Balance other than Cash and Cash Equivalents	10	146.88	152.96
(iii) Current Tax Assets (net)	11	157.14	25.24
(iv) Other Current Asset	12	3,011.70	2,590.36
<b>TOTAL ASSETS</b>		<b>12,730.83</b>	<b>11,349.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(i) Equity Share Capital	13	2,000.00	2,000.00
(ii) Other Equity	14	885.42	214.20
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(i) Financial Liabilities			
-Borrowings	15	3,650.61	5,704.55
<b>CURRENT LIABILITIES</b>			
(i) Financial Liabilities			
a Borrowings	16	5,230.83	2,498.47
b Trade Payables			
- Total Outstanding dues of Micro and Small Enterprises	17	490.02	837.83
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises	18	-	4.73
(ii) Current Tax Liabilities (net)	19	418.66	60.30
(iii) Other Current Liabilities	20	55.29	29.59
(iv) Short Term Provisions			
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,730.83</b>	<b>11,349.67</b>

Summary of significant accounting policies

1 to 4

See accompanying notes to the standalone financial statements

27 to 42

**As per our report of even date attached**

For and on behalf of the Board

**For LUHARUKA & ASSOCIATES**

**CHARTERED ACCOUNTANTS**

**Firm Reg No.01882S**

  
**Rameshchand Jain**  
Partner  
M. No. 023019




  
**Narender Surana**  
Director  
DIN : 00075086

  
**Devendra Surana**  
Director  
DIN : 00077296

**Place: Secunderabad,**  
**Date : 27.05.2022**

  
**Surendra Bhutoria**  
Chief Financial Officer

  
**Srinivas Dudam**  
Company Secretary  
Membership No. A23425



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
(EARLIER AANVIK MERCANTILE PRIVATE LIMITED)  
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH,2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	Note No.	For the Year ended 31.03.2022	For the Year ended 31.03.2021
I. REVENUE FROM OPERATIONS	21	54,507.44	34,803.78
II. OTHER INCOME	22	12.71	3.93
III. TOTAL REVENUE		54,520.16	34,807.71
IV. EXPENSES			
Cost of Raw Materials and Components Consumed	23	50,248.81	31,766.40
Employee Benefit Expenses	24	329.90	292.12
Finance costs	25	698.07	493.44
Depreciation	5	204.49	186.31
Other expenses	26	2,367.67	1,802.48
V. TOTAL EXPENSES		53,848.94	34,540.75
VI. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-V)		671.22	266.96
VII. EXCEPTIONAL ITEMS		-	-
VIII. PROFIT BEFORE TAX		671.22	266.96
IX. TAX EXPENSE:			
1. Current tax		112.04	41.65
2. MAT Credit Entitlement		(112.04)	(25.24)
X. PROFIT AFTER TAX		671.22	250.55
XI. OTHER COMPREHENSIVE INCOME			
A Items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR,NET OF TAX		-	-
XII. Total Comprehensive Income for the year (X+XI)		671.22	250.55
XIII. Earning Per Equity Share			
(a) Basic		3.36	1.25
(b) Diluted		3.36	1.25

Summary of significant accounting policies 1 to 4

See accompanying notes to the standalone financial statements 27 to 42

As per our report of even date attached

For LUHARUKA & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg No.018825

Rameshchand Jain  
Partner  
M. No. 023019



Place: Secunderabad,  
Date : 27.05.2022

For and on behalf of the Board

Narendra Surana  
Director  
DIN : 00075086

Devendra Surana  
Director  
DIN : 00077296

Surendra Bhutoria  
Chief Financial Officer

Srinivas Dudam  
Company Secretary  
Membership No. A23425

**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**(EARLIER AANVIK MERCANTILE PRIVATE LIMITED)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

PARTICULARS	For the Year 2021-22	For the Year 2020-21
<b>A Cash flow from Operating Activities</b>		
Net profit before tax as per annexed Profit and loss account	671.22	266.96
Add: Adjustments for:		
Depreciation & Amortisation	204.49	186.31
Interest paid	698.07	493.44
Sundry Balances Written Back	5.70	-
<b>Operating profit before working Capital Changes</b>	<b>1,579.48</b>	<b>946.71</b>
Other Non current Financial Assets	(5.95)	(11.54)
Other current assets	(421.34)	(1,829.59)
Inventory	(677.18)	(118.89)
Trade receivables	696.73	(2,621.06)
Trade Payables	(353.51)	613.71
Other Current Liabilities	358.36	81.25
Provisions	25.71	-
<b>Cash generated from Operations</b>	<b>1,202.30</b>	<b>(2,939.41)</b>
Income Tax Paid (including Prior Period)	(136.64)	(41.65)
	-	-
<b>Net cash (used in)/from Operating Activities(A)</b>	<b>1,065.66</b>	<b>(2,981.05)</b>
<b>B Cash flow from Investing Activities</b>		
Purchase of Fixed Assets & Other Capital Expenditure	(146.92)	(431.67)
	-	-
<b>Net Cash (used in)/from Investing Activities (B)</b>	<b>(146.92)</b>	<b>(431.67)</b>
<b>C Cash flow from Financing Activities</b>		
Interest Paid	(698.07)	(493.44)
Increase (Decrease) in Unsecured Loans	(2,165.55)	2,053.60
Borrowings	2,843.97	2,004.47
(Increase)/Decrease in restricted deposits	6.08	(150.96)
<b>Net Cash (used in)/from Financing Activities (C)</b>	<b>(13.57)</b>	<b>3,413.66</b>
<b>Net Increase / Decrease in cash and Cash Equivalents (A+B+C)</b>	<b>905.17</b>	<b>0.94</b>
Cash and Cash Equivalents Opening Balance	4.32	3.39
Cash and Cash Equivalents Closing Balance	909.50	4.32
<b>Change in Cash and Cash Equivalents</b>	<b>905.17</b>	<b>0.94</b>

As per our report of even date attached

For LUHARUKA & ASSOCIATES

CHARTERED ACCOUNTANTS

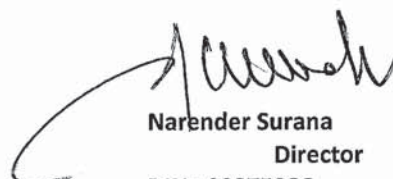
Firm Reg No.018825




Rameshchand Jain  
Partner  
M. No. 023019



Place: Secunderabad,  
Date 27.05.2022



Narender Surana  
Director  
DIN : 00075086



Surendra Bhutoria  
Chief Financial Officer



Devendra Surana  
Director  
DIN : 00077296



Srinivas Dudam  
Company Secretary  
Membership No. A23425



Statement of Changes in Equity for the Year ended 31st March 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

A. Equity Share capital

Particulars	No of shares	INR
<b>Current year Reporting period</b>		
Balance as at 1 April 2021	200	2,000
Changes in equity share capital during 2021-22	-	-
<b>Balance as at 31 March 2022</b>	<b>200</b>	<b>2,000</b>
<b>Previous year Reporting period</b>		
Balance as at 1 April 2020	200	2,000
Changes in equity share capital during 2020-21	-	-
<b>Balance as at 31 March 2021</b>	<b>200</b>	<b>2,000</b>

B. Other equity

PARTICULARS	Reserves and Surplus		Total
	Retained Earnings	Capital Reserve	
<b>Current year Reporting period</b>			
Balance as at 1 April 2021	(272.44)	486.64	214.20
Profit for the year	671.22	-	671.22
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	<b>671.22</b>	<b>486.64</b>	<b>671.22</b>
<b>Balance at 31 March 2022 C= (A+B)</b>	<b>398.78</b>	<b>973.29</b>	<b>885.42</b>
<b>Previous year Reporting period</b>			
Balance at 1 April 2020 (D)	(522.99)	486.64	(36.34)
Profit for the year	250.55	-	250.55
Other Comprehensive Income (net of tax)	-	-	-
Reserve created during the year	-	-	-
<b>Total Comprehensive Income for the year 2020-21 (E)</b>	<b>250.55</b>	<b>-</b>	<b>250.55</b>
<b>Balance at 31 March 2021 F=(D+E)</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>

See accompanying notes form an Integral part of the financial statements.  
As per our report of even date attached

For Luharuka & Associates  
Chartered Accountants  
Firm Reg No-0018825

  
**Rameshchand Jain**  
Partner  
M. No. 023019

Place: Secunderabad  
Date : 27.05.2022

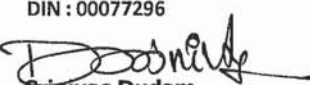


For and on behalf of the Board

  
**Narender Surana**  
Director  
DIN : 00075086

  
**Surendra Bhutoria**  
Chief Financial Officer

  
**Devendra Surana**  
Director  
DIN : 00077296

  
**Srinivas Dudam**  
Company Secretary  
Membership No. A23425

**Notes to the financial statements for the year ended 31 March 2022**

**Note: 5 Property, Plant & Equipment**

Following are the changes in the carrying value of Property, Plant and Equipment for the Period Ended 31st March 2022

(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Particulars	Free hold land	Factory Building	Plant & Machinery	Electrical Installation	Plantation	Vehicles	Furniture and Fixtures	Computers	Grand Total
<b>A. Gross Block</b>									
<b>At 1st April, 2020</b>	1,202.31	377.12	1,728.38	455.02	57.60	31.63	-	1.47	3,853.54
Additions	-	-	420.22	4.87	-	5.55	-	1.03	431.67
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2021</b>	1,202.31	377.12	2,148.60	459.89	57.60	37.19	-	2.50	4,285.21
Additions	-	-	135.33	-	-	5.59	6.00	-	146.92
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2022</b>	1,202.31	377.12	2,283.93	459.89	57.60	42.78	6.00	2.50	4,432.13
<b>B. Depreciation</b>									
<b>At 1st April, 2020</b>	-	43.06	95.87	26.46	17.28	3.55	-	0.46	186.68
Charge for the Year	-	23.88	123.30	28.92	5.76	3.90	-	0.54	186.31
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2021</b>	-	66.95	219.18	55.38	23.04	7.45	-	1.00	372.99
Charge for the Year	-	23.88	140.34	29.13	5.76	4.57	0.02	0.80	204.49
Disposals	-	-	-	-	-	-	-	-	-
<b>At 31st March, 2022</b>	-	90.83	359.52	84.50	28.80	12.01	0.02	1.79	577.48
<b>C. Net Block (A-B)</b>									
<b>At 31st March, 2021</b>	1,202.31	310.18	1,929.43	404.52	34.56	29.74	-	1.50	3,912.23
<b>At 31st March, 2022</b>	1,202.31	286.29	1,924.41	375.39	28.80	30.76	5.98	0.70	3,854.66





(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Trade Receivables	Sub Note	As at 31.03.2022	As at 31.03.2021
Considered good – Unsecured*			
Undisputed trade receivables considered good		2,445.88	3,142.61
Undisputed trade receivables -credit impaired		-	-
Less: Allowance for expected credit losses		-	-
<b>TOTAL</b>		<b>2,445.88</b>	<b>3,142.61</b>

**Trade receivables ageing schedule**

As at 31.03.2022	Outstanding for following periods from due date of payment as on Balance sheet date					Total
	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	
<b>Particulars</b>						
Undisputed trade receivables	2,431.07	11.04	3.76	-	-	2,445.88
considered good						-
Credit impaired						-
Less: Allowance for expected credit losses						-
<b>Balance as at year end</b>	<b>2,431.07</b>	<b>11.04</b>	<b>3.76</b>	<b>-</b>	<b>-</b>	<b>2,445.88</b>

As at 31.03.2021	Outstanding for following periods from due date of payment as on Balance sheet date					Total
	Less than 6 mnth	6 months to 1 year	1 to 2 years	2-3 Years	More than 3 years	
<b>Particulars</b>						
Undisputed trade receivables	3,014.20	128.41	-	-	-	3,142.61
considered good						-
Credit impaired						-
Less: Allowance for expected credit losses						-
<b>Balance as at year end</b>	<b>3,014.20</b>	<b>128.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,142.61</b>

a. There are no disputed trade receivables in the current and previous year.

b. All the Trade Receivables are Unsecured and considered good

c. Trade receivables are generally with the credit term of 30 to 120 days and are non interest bearing.

d. The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

e. The Carrying amount of trade receivables is pledged as security for borrowings. (Refer Note 16(a))

f. No Debts due by Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.





(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

## Notes to the financial statements for the year ended 31 March 2022

6	Other non current financial assets	Sub Note	As at 31.03.2022	As at 31.03.2021
	Unsecured, Considered good.			
	(a) Security Deposits		47.49	41.54
	TOTAL		47.49	41.54

7	Inventories (Valued at lower of Cost and Net Realisable Value)	Sub Note	As at 31.03.2022	As at 31.03.2021
	(As valued and certified by the Management)			
	Raw Materials		2,157.60	1,480.42
	Material - in- Transit		-	-
	TOTAL		2,157.60	1,480.42

9	Cash and Cash Equivalents	Sub Note	As at 31.03.2022	As at 31.03.2021
	(As certified by the Management)			
	(i) Cash on hand		1.25	1.77
	(ii) Balances with Bank			
	- In Foreign Currency account		908.24	2.55
	TOTAL		909.50	4.32

10	Bank Balance other than Cash and Cash Equivalents	Sub Note	As at 31.03.2022	As at 31.03.2021
	(i) Margin Money Deposit Against Buyers Credit (With original Maturity of 3 months or more)	10(a)	143.89	149.63
	(ii) Accrued interest Fixed Deposit		2.98	3.33
	TOTAL		146.87	152.96

## Notes:

- 10(a) Margin Money Deposits with a carrying amount of Rs.143.89 lacs (PY Rs.149.63 lacs are subject to first charge to secure the company's borrowing).

11	Current Tax Assets(Net)	Sub Note	As at 31.03.2022	As at 31.03.2021
	(a) Income tax Receivable		131.90	
	Less: Provision for Taxes		(112.04)	-
	(b) MAT Credit Entitlement		137.27	25.24
	TOTAL		157.14	25.24

12	Other Current Asset	Sub Note	As at 31.03.2022	As at 31.03.2021
	(a) Balances with Statutory Authorities	12(a)	1,369.32	1,639.37
	(b) Advances To Suppliers		1,639.62	948.40
	(c) Loan to staff		2.76	2.58
	TOTAL		3,011.70	2,590.36

## Notes:

- 12(a) The Balance with Statutory Authorities includes IGST Refund (paid on Exports) Receivable -Rs.570.28 lacs

No advances are due from directors or other officers of the company or any of them either severally or jointly with any other persons or advances due to firms or private companies respectively in which any director is a partner or a director or member





(All amounts are in Indian Rupee (lakhs) except share data and where otherwise stated)

Equity Share Capital	As at 31st March 2022		As at 31st March 2021	
	Number	Amount	Number	Amount
<b>Authorised</b>				
20,000,000 (March 31, 2021 : 20,000,000)Equity Shares of Rs. 10 each	2,00,00,000	2,000	2,00,00,000	2,000
<b>Issued, subscribed and fully paid-up shares</b>				
20,000,000 (March 31, 2021 : 20,000,000)Equity Shares of Rs. 10 each	2,00,00,000	2,000	2,00,00,000	2,000
<b>Total issued, subscribed and fully paid-up share capital</b>	2,00,00,000	2,000	2,00,00,000	2,000

**a) Term/rights attached to Equity Shares**

The company has only one class of issued equity shares having a par value of Rs 10/- per share. Each shareholder is entitled to one vote per share. one vote per share. In the event of liquidation of the company. The holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,00,00,000	2,000	2,00,00,000	2,000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,00,00,000	2,000	2,00,00,000	2,000

**c) Particulars of share holders holding more than 5% of issued share capital.**

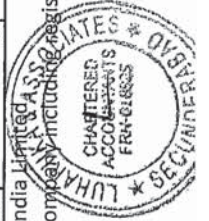
Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
BHAGYANAGAR INDIA LIMITED	2,00,00,000	100	2,00,00,000	100
Total	2,00,00,000	100	2,00,00,000	100

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**d) Shares Held by Promoters at the end of the year**

Promoter Name	As at March 2022			As at March 2021		
	No. of shares Held	% of Holding of total shares	% change during the year	No. of shares Held	% of Holding of total shares	% change during the year
BHAGYANAGAR INDIA LIMITED	1,99,99,900	100	-	1,99,99,900	100.00	-
Devendra Surana*	100	0	-	100	0	-

\* 100 shares of Devendra surana - Beneficial interest held by Bhagyanagar India Limited  
The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.



## 14 B. Other equity

	Reserves and Surplus		Total
	Retained Earnings	Capital reserve	
<b>Balance at 1 April 2021 (A)</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>
Profit for the year	671.22	-	671.22
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the year 2021-22 (B)</b>	<b>671.22</b>	<b>-</b>	<b>671.22</b>
<b>Balance at 31 March 2022 C=(A+B)</b>	<b>398.78</b>	<b>486.64</b>	<b>885.42</b>
	-	-	-
<b>Balance at 1 April 2020 (D)</b>	<b>(522.99)</b>	<b>486.64</b>	<b>(36.34)</b>
Profit for the year	250.55	-	250.55
Other Comprehensive Income (net of tax)	-	-	-
<b>Total Comprehensive Income for the Year 2020-21 (E)</b>	<b>250.55</b>	<b>-</b>	<b>250.55</b>
<b>Balance at 31 March 2021 F=(D+E)</b>	<b>(272.44)</b>	<b>486.64</b>	<b>214.20</b>

**Retained earnings**

Retained earnings comprises of prior year's undistributed earnings after taxes along with current year profit.

**Capital Reserve**

Capital Reserve is created from specific transactions of Capital in Nature and the same is not available for distribution to the shareholders.





15	Non-Current Borrowings	Sub Note	As at 31.03.2022	As at 31.03.2021
	<b>Secured (Loan from banks)</b>			
	(a) Term Loan - HDFC Bank	15 (a)	859.67	1,145.45
	(b) Guaranteed Emergency Credit Line - HDFC Bank	15 (b)	875.05	372.00
			1,734.72	1,517.45
	Less: Current maturities of long term borrowings		425.37	319.71
			1,309.35	1,197.74
	<b>UnSecured (Loan from related parties)*</b>			
	(a) Loan from holding Company	15 (c)	1,041.53	2,912.60
	(b) Loan from Directors	15 (d)	186.71	593.49
	(c) Loan from Associate Companies	15 (e)	1,113.02	1,000.72
			2,341.26	4,506.81
	<b>TOTAL</b>		3,650.61	5,704.55

## Notes

15 (a) Term loan - HDFC Bank

The term loan sanctioned by Kotak bank was taken over by HDFC Bank in April, 2020 - Rs.1461 lacs . The loan is secured by personal guarantee of Directors, Corporate Guarantee of Holding Company and an Exclusive charge on entire Current Assets and Fixed Assets of the Company .It is also Secured by certain Fixed assets of the Holding Company.The Principal is repayable in 57 Monthly Instalments ending in November, 2024 at interest rate which fluctuates based on market rate.The Principal repayable during FY 2022-23 amounting to Rs.308.24 lacs- is classified under Current Maturities of Long Term Debt-Note:16

15 (b) Guaranteed Emergency Credit Line(GECL-WCTL) - HDFC Bank

Guaranteed Emergency Credit Line (GECL) of Rs.372 lacs is sanctioned by HDFC Bank by way of Working Capital Term Loan(WCTL) in the month of November, 2020. There is a Principal Moratorium of 12 Months and the Principal repayment starts in the Month of December, 2021 at an interest rate which fluctuates based on market rate. The Principal repayable during FY 2022-23 amounting to Rs.117.12 lacs is classified under Current Maturities of Long Term Debt-Note:16.

Guaranteed Emergency Credit Line (GECL) Extension of Rs.540 lacs is sanctioned by HDFC Bank by way of Working Capital Term Loan(WCTL) in the month of January, 2022. There is a Principal Moratorium of 24 Months and the Principal repayment starts in the Month of January, 2024. The Loan is repayable in 36 equal Monthly instalments starting from January, 2024 at an interest rate which fluctuates based on market rate.

Notes: Loan from Holding Company

15 (c)	<u>Name of the company</u>	Balance as on 31.03.2022	Balance as on 31.03.2021
	Bhagyanagar India Limited	1,041.53	2,912.60
	Total	1,041.53	2,912.60

15 (d) Loan from Director

	<u>Name of the Director</u>	Balance as on 31.03.2022	Balance as on 31.03.2021
	Devendra Surana	186.71	593.49
	Total	186.71	593.49

15 (e) Loan from Associate Companies

	<u>Name of the company</u>	Balance as on 31.03.2022	Balance as on 31.03.2021
	Surana Infocom Pvt LTD	-	332.75
	Surana Telecom and Power Ltd	1,113.02	667.97
	Total	1,113.02	1,000.72

\*Unsecured Loan carries rate of Interest @ 10% p.a

\*There is no specific repayment schedule of Unsecured Loan taken



16	Current Borrowings	Sub Note	As at 31.03.2022	As at 31.03.2021
	<b>Secured</b>			
	Cash Credit		209.02	544.42
	Export Packaging Credit	16(a)	2,488.77	1,381.09
	Buyers Credit		907.67	253.25
	Working Capital Demand Loan ICICI Bank		1,200.00	-
			<b>4,805.46</b>	<b>2,178.76</b>
	<b>Current Maturities on Long Term Debt</b>			
	(a) Term loan - HDFC Bank	15(a)	308.25	282.76
	(b) Guaranteed Emergency Credit Line - HDFC Bank	15(b)	117.12	36.95
			<b>425.37</b>	<b>319.71</b>
	<b>TOTAL</b>		<b>5,230.83</b>	<b>2,498.47</b>

**Notes:**

16(a) Entire Working Capital Facilities are secured by personal guarantee of Directors, Corporate Guarantee of Holding Company and an Exclusive charge on entire Current Assets and Fixed Assets of the Company. It is also Secured by certain Fixed assets of the Holding Company. It is repayable on demand with the interest which fluctuates based on the market rate.

The Company has taken loans against security of current assets and quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.

18	Current Tax Liabilities(Net)	Sub Note	As at 31.03.2022	As at 31.03.2021
	Provision for Taxes (net of TDS and Advance tax)		-	4.73
	<b>TOTAL</b>		-	4.73

19	Other Current Liabilities	Sub Note	As at 31.03.2022	As at 31.03.2021
	(a) Statutory Dues Payable		13.92	17.90
	(b) Advance from Customers		404.74	42.40
	<b>TOTAL</b>		<b>418.66</b>	<b>60.30</b>

20	Short Term Provisions	Sub Note	As at 31.03.2022	As at 31.03.2021
	(a) Bonus Payable		4.00	4.00
	(b) Liability For Expense		51.29	25.59
	<b>TOTAL</b>		<b>55.29</b>	<b>29.59</b>





(All amounts are in Indian Rupee (laks) except share data and where otherwise stated)

Trade Payables	Sub Note	As at 31.03.2022	As at 31.03.2021
<b>Unsecured</b>			
- Total Outstanding dues of Micro and Small Enterprises		-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises		207.03	420.22
Outstanding dues to related parties	17(a)	282.99	417.61
<b>TOTAL</b>		<b>490.02</b>	<b>837.83</b>

17

Trade payable ageing schedule

As at March 31, 2022

Undisputed Outstanding Dues	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 year	2-3 year	More than 3 Years	
- Total Outstanding dues of Micro and Small Enterprises	-	-	-	-	-
- Total Outstanding dues of Creditors Other than Micro and Small Enterprises	438.22	45.98	5.81	-	490.02

As at March 31, 2021

Undisputed Outstanding Dues	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 year	2-3 year	More than 3 Years	
- Total Outstanding dues of Micro and Small Enterprises	837.83	-	-	-	837.83

- a. All the Trade payable are Unsecured  
 b. There are no disputed trade payables in the current and previous year.  
 c. Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 30-120 day terms.

For explanations on the Company's credit risk management processes, refer to note 38.

- c. No Debts due to Directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member except as mentioned below

Notes:

17(a) Payable to Related Party

Name of the company

Surana Solar Limited

Total

Balance as

on 31.03.2022

Balance as

on 31.03.2021

282.99

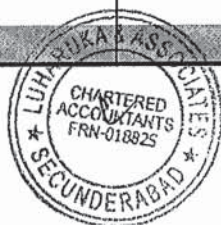
417.61

282.99

417.61



21	Revenue from Operations	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
	(a) Sale of Products			
	Copper & Allied Products - Domestic		23,049.88	29,083.71
	Copper Products - Export		37,314.68	11,596.12
	<b>GROSS SALES</b>		60,364.56	40,679.83
	Less: GST		5,857.12	5,876.05
	<b>NET SALES</b>		54,507.44	34,803.78
	<b>TOTAL</b>		<b>54,507.44</b>	<b>34,803.78</b>
22	Other Income	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
	(a) Interest on Fixed Deposits		7.02	3.93
	(b) Sundry Balances Written Back		5.70	-
	<b>TOTAL</b>		<b>12.71</b>	<b>3.93</b>
23	Cost of Raw Materials and Components Consumed	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
	Opening Stock Raw Materials		1,480.42	1,361.53
	Add:Purchases (Net of GST)		50,925.98	31,885.29
	Less:Closing Stock Raw Materials		2,157.60	1,480.42
	<b>TOTAL</b>		<b>50,248.81</b>	<b>31,766.40</b>
24	Employee Benefits Expense	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
	(a) Salaries, Wages and Other Employee Benefits		305.04	272.44
	(b) Contribution To Provident And Other Funds		24.86	19.67
	<b>TOTAL</b>		<b>329.90</b>	<b>292.12</b>
25	Finance costs	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
	(a) Interest Expense			
	- Cash Credit & Others		206.62	51.52
	- On Unsecured Loan		346.17	301.72
	(b) Other Borrowing Costs			
	- Long Term Loan -HDFC Bank		78.31	119.38
	- General Emergency Credit Line - HDFC Bank		34.57	-
	(c) Financial Charges		32.40	20.82
	<b>TOTAL</b>		<b>698.07</b>	<b>493.44</b>





26

Other expenses	Sub Note	For the Year 31.03.2022	For the Year 31.03.2021
Consumption Of Stores And Spare Parts		243.67	368.43
Processing and Conversion charges		174.81	2.04
Power And Fuel		1,169.89	757.83
Repairs			
Buildings		43.86	53.64
Machinery		300.99	287.55
Others		23.87	13.38
CSR Expense		6.26	-
Insurance		10.92	11.34
Rates And Taxes		5.62	3.67
Packing And Forwarding		167.81	153.83
Other Miscellaneous Expenses		218.97	150.01
Payments To The Auditor for Statutory Audit		1.00	0.75
<b>TOTAL</b>		<b>2,367.67</b>	<b>1,802.48</b>

Other Miscellaneous Expense		For the Year 31.03.2022	For the Year 31.03.2021
Rent		8.22	8.22
Post.Tel & Telephone		4.52	3.78
Legal & Licence Fees		7.79	3.62
Advertisement And Sales Promotion		14.74	13.54
Professional Charges		16.13	7.55
Travelling & Conveyance		15.55	6.31
Sundry Balances Written Off		1.20	2.75
Office Maintenance		1.54	8.76
Testing Charges		0.28	1.94
Watch & Ward		85.29	72.03
Membership & Subscription		8.21	2.06
Other.Expenses		1.23	0.86
Printing & Stationery		1.20	1.24
Filing Fees		0.38	0.30
Donation		0.28	0.10
Commission On Sales/Purchases		52.40	16.96
Water Charges		0.04	-
<b>TOTAL</b>		<b>218.97</b>	<b>150.01</b>



## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

#### 1. Corporate Information

Bhagyanagar Copper Pvt Ltd ("the company") is a Company registered under the companies act, 1956. It was incorporated on 30-04-2008. Bhagyanagar India Limited on 6<sup>th</sup> February 2018 acquired 100% shareholding of the company. It proposes to engage in the manufacture of copper products. The company's CIN is U40106MH2008PTC181786. It is the subsidiary company of Bhagyanagar India Limited, which is listed on the stock exchange.

#### Significant accounting policies and key accounts, estimates and judgments:

#### 2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2022, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

#### 3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

#### 4. Significant Accounting Policies:

##### (a) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

##### (b) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the





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

plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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 carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(c) Investment Properties**

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

**(d) Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

**(e) Depreciation and amortization:**

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

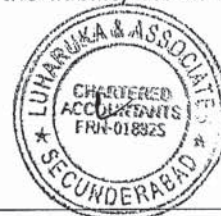
**(f) Current versus non-current classification**

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.
- The Company classifies all other liabilities as non-current.





## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

#### (g) Financial assets

Financial assets comprise of cash and cash equivalents.

##### **Initial recognition:**

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

##### **Subsequent Measurement:**

(i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

##### **Impairment of Financial Assets:**

Financial assets are tested for impairment based on the expected credit losses.

##### **De-recognition of Financial Assets:**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

#### (h) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and 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 groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### (i) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

#### (j) Financial liabilities

##### **Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.





## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

#### **Subsequent measurement:**

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

#### **De-recognition of financial liabilities:**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **(k) Borrowing Costs**

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

#### **(l) Employee Benefits**

Employee benefits are charged to the Statement of Profit and Loss for the year.

##### **Provident Fund**

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognised, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

##### **Gratuity**

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

##### **Compensated absences**

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

##### **Short-term employee benefits**

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

#### **(m) Income Taxes**

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.





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

**Deferred income tax**

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

**Minimum Alternative Tax (MAT)**

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**(n) Leases**

**As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

**As a lessor**

Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**Leasehold land:\**

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

**(o) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best





## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

#### (p) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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 Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### (q) Earnings per share

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

#### (r) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.



**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

**Notes Forming part of Financial Statements**

**27. Related party transactions**

**a. List of Related Parties:**

- i. Holding Company:** Bhagyanagar India Limited  
**Key Managerial Personnel:** (i) Narender Surana (ii) Devendra Surana  
 (iii) Rakesh kumar Agarwal (Whole Time Director)  
 (iv) Surendra Bhutoria (CFO)

**ii. Enterprises owned or significantly influenced by key management personnel or their relatives:**

- (i) Surana Telecom and Power Limited (iv) Tejas India Solar Energy Private Limited  
 (ii) Surana Solar Limited (v) Surana Infotech Private Limited  
 (iii) Surana Infocom Private Limited.

**A. List of Transactions Occurred during the year are as follows**

Related Party	Nature of transaction	Figures in Lacs	
		2021-22	2020-21
Tejas India Solar Energy Private	Purchase Of Solar Modules ✓	15.68	109.61
Surana Solar Limited	Purchase of copper ✓	1235.14	413.20
Surana Solar Limited	Sale of Aluminum Scrap ✓	0.54	-
Bhagyanagar India Ltd	Purchase of copper ✓	1045.40	4421.58
Bhagyanagar India Ltd	Job work paid ✓	135.621	-
Bhagyanagar India Ltd	Sale of coper ✓	3670.06	2700.13
Bhagyanagar India Ltd	Job work charges received ✓	1283.63	339.33
Bhagyanagar India Ltd	Interest Expense	201.12	231.79
Surana Telecom & Power Limited	Interest Expense	112.93	25.64
Surana Infocom Private Limited	Interest Expense	7.40	43.07
Devendra Surana	Interest Expense	24.71	16.24
Rakesh Agarwal	Remuneration – WTD ✓	26.45	18.60

**B. List of Transactions Occurred during the year are as follows:**

Balance Outstanding	Nature of transaction	2021-22	2020-21
Surana Solar Limited	Trade Payable	282.99	417.60





## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

**C. Details of Loan given and recovered with the related parties during the year:**

Related Party	Nature of transaction	2021-22	2020-21
<b>BHAGYANAGAR INDIA LIMITED</b>	Opening Balance	2912.60	1349.01
	Loan given during the year (net of amount received back)	Nil	1563.58
	Repaid during the Year	1871.07	Nil
	<b>Balance at the end of the Year (cr)*</b>	<b>1041.53</b>	<b>2912.60</b>

<b>Devendra Surana</b>	Opening Balance	593.49	-
	Loan taken	528.91	593.49
	Repaid during the Year	935.69	-
	Closing Balance*	186.71	593.49

<b>Surana Telecom &amp; Power Limited</b>	Opening Balance	667.97	721.26
	Loan taken	2522.13	690.29
	Repaid during the Year	2077.10	743.58-
	Closing Balance*	1113.01	667.97

<b>Surana Infocom Private Limited</b>	Opening Balance	332.60	382.78
	Loan taken	335.66	267.4
	Repaid during the Year	668.26	317.58
	Closing Balance*	-	332.60

(\*) There are multiple transactions with the party. The amount represents net balance of multiple transactions during the year.

**28. Disclosure required under Section 186(4) of the Companies Act 2013**

Disclosure pursuant to Securities Exchange Board Of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no: 27.

29. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

30. The Company is primarily proposes to engage in the manufacture of copper products which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.



**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

**31. Earnings Per Share (EPS)** Amount Lacs (INR)

Particulars	2021-22	2020-21
Net Profit after Tax	671.21	250.55
Net Profit after Tax available for equity share holders - For Basic and Diluted EPS	671.21	250.55
Weighted Average No. Of Equity Shares For Basic EPS (No.)	2,00,00,000	2,00,00,000
Weighted Average No. Of Equity Shares For Diluted EPS (No.)	2,00,00,000	2,00,00,000
Nominal Value of Equity Shares	2000.00	2000.00
Basic Earnings Per Equity Share	3.36	1.25
Diluted Earnings Per Equity Share	3.36	1.25

**32. Contingent Liabilities and Commitments (to the extent not provided for)** Amount Lacs (INR)

Particulars	As at 31-03-2022	As at 31-03-2021
Contingent Liabilities – Electricity Demand	154.65	154.65

Note: TSSPDCL has raised a demand of Rs.154.65Lacs for previous years when the company was not under the control of current management. The demand is being countered and has been stayed by the Honorable High Court of Telangana.

**33. Sales (Gross) during the year:**

Sl.No.	Particulars	2021-22		2020-21	
		Qty(MTs)	Amount (Rs.in Lac)	Qty(MTs)	Amount (Rs.in Lac)
i	Copper	7345.886	55708.36	6776.705	38913.26
ii	By-Products	-	3458.33	-	1377.27
iii	Job Work Charges	-	1197.88	-	389.29
	<b>TOTAL</b>	7345.886	60364.56	6776.705	40679.83

**34. Raw material consumed during the year:** Amount in Lacs (INR)

Sl.No.	Particulars	2021-22	2020-21
i	Copper	48886.60	31508.61
ii	Others	1362.21	257.80
	<b>TOTAL</b>	<b>50248.81</b>	<b>31766.40</b>





**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

**35. Details of imported and indigenous raw materials, spares and packing materials consumed:**

Amount in Lacs (INR)

Particulars	2021-22		2020-21	
	Value	% of Total Consumption	Value	% of Total Consumption
Raw materials & Components				
(a) Imported	43519.12	86.60	16355.34	51.49
(b) Indigenous	6729.68	13.40	15411.06	48.51
<b>TOTAL</b>	<b>50248.81</b>	<b>100</b>	<b>31766.40</b>	<b>100</b>
Stores & Spare Parts (including consumed for repair)				
(a) Imported	286.97	21.07	11.00	4.27
(b) Indigenous	1075.24	78.93	246.80	95.73
<b>TOTAL</b>	<b>1362.21</b>	<b>100</b>	<b>257.80</b>	<b>100</b>

**36. CIF Value of Imports**

Amount in Lacs (INR)

Particulars	2021-22	2020-21
Raw material / Traded Goods	43519.12	16355.34
Stores & Spares	286.97	11.00
<b>Total</b>	<b>43806.10</b>	<b>16366.34</b>

**37. Trade receivables:**

The Company exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower
- significant changes in the expected performance and behavior of the borrower, including changes in the payment status of borrowers in the Company and changes in the operating results of the borrower

Based on the above analysis, the Company does not expect any credit risk from its trade receivables for any of the years reported in this financial statements expect for the amounts disclosed as credit impaired in the below table.

**38. Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

**A. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as





## Bhagyanagar Copper Private Limited

### Notes to the financial statements for the year ended 31 March 2022

equity price risk and commodity/ real-estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

#### B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including security deposits, loans to employees and other financial instruments.

#### Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2022 and 2021 is the carrying amounts.

#### C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Year Ended	Amount in Lacs (INR)				Total
	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	
31-Mar-22	-	5230.83	3650.61	-	8881.44
Borrowings				-	
31-Mar-21					
Borrowings	-	2498.49	5704.53	-	8203.01

#### 39. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.





**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

Particulars	Amount Lacs (INR)	
	31-Mar-22	31-Mar-21
Borrowings (Long term and Short term including Current maturity of Long term Borrowings)	7839.91	5290.42
Note 15 and 16 (excluding borrowing from Holding Company of Rs.1041.53; PY – Rs.2912.60)		
Other Payable (current and non-current, excluding current maturity of long term borrowings)	963.97	932.45
Note 17,18,19 and 20		
Less: Cash and Cash Equivalents	1056.37	157.28
<b>Net Debt (A)</b>	<b>7747.51</b>	<b>6065.59</b>
Equity Share capital	2000.00	2000.00
Other Equity	885.42	214.21
Quasi Equity (Loan from Holding Company)	1041.53	2912.60
<b>Total Capital (B)</b>	<b>3926.95</b>	<b>5126.81</b>
<b>Capital and Net debt (A+B)</b>	<b>11674.46</b>	<b>11192.40</b>
<b>Gearing ratio (in %)</b>	<b>66.36</b>	<b>54.19</b>

**40. Ratio analysis and its elements.**

Ratio	Numerator	Denominator	March 31,2022	March 31,2021	% Change	Reason for variance
<b>Current Ratio</b>	Current Assets	Current Liabilities	1.43	2.16	(33.79)	Note(a)
<b>Debt-Equity Ratio</b>	Long Term Debt	Shareholder's Equity+Quasi Equity.	0.33	0.23	43.47	Note(b)
<b>Debt Service Coverage Ratio</b>	Earning for debt service = Net profit before taxes + non-cash operating expenses + Finance Costs	Debt service = Interest & lease payments + Principal repayments	1.40	1.16	20.32	-
<b>Return on Equity ratio(%)</b>	Net profit after taxes	shareholder's equity+Quasi Equity.	17.09	4.89	249.98	Note(c)
<b>Inventory Turnover Cycle(No.of days)</b>	Cost of goods sold or sales	Average inventory	14	16	(12.5)	-



**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

<b>Trade receivables turnover Cycle(No.of days )</b>	Trade Receivables	Gross Sales	15	28	(46.42)	Note(d)
<b>Trade payables turnover Cycle(No.of days )</b>	Trade Payables	Net Purchases	4	10	(60.00)	Note(e)
<b>Net Capital Turnover Ratio</b>	Net sales = Total sales - sales return	Working Capital = Current assets - Current liabilities	20.69	8.78	135.64	Note(f)
<b>Net Profit Ratio(%)</b>	Net profit after taxes	Net Sales = Total sales - Sales return	1.23	0.72	70.83	Note(g)
<b>Return on capital employed(%)</b>	Earnings before interest, Depreciation and taxes	Capital employed = Tangible Net Worth + Long Term Debt	20.77	8.74	137.64	Note(h)

Notes:

- a) Change in the ratio is due to increase in Borrowings and Current Liabilities of the company as the operations have scaled up.
- b) Change in the ratio is due to increase in Borrowings due to scaling up of operations
- c) Change in the ratio is due to increase in net profit because of revenue growth.
- d) Change in the ratio is due to increase in net profit because of revenue growth.
- e) Change in the ratio is due to increase in Turnover and decrease in Working Capital.
- f) Change in the ratio is due to increase in business operation
- g) Change in the ratio is due to increase in EBIT because of revenue growth.
- h) Change in the ratio is due to revenue growth along with higher efficiency on working capital borrowings.





**Bhagyanagar Copper Private Limited**

**Notes to the financial statements for the year ended 31 March 2022**

**41. Other Statutory Information**


- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d) The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- i) 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
- ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- i) 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
- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- f) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- g) The Company does not have any transactions with companies struck off.
- h) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

42. Previous year's figures have been regrouped and rearranged, wherever found necessary.


**As per our report of even date attached**

For Luharuka & Associates

Chartered Accountants,

  
Rameshchand Jain  
Partner  
M. No. 023019  
Firm Reg No.018825



  
Narender Surana  
Director  
DIN: 00075086

for and on behalf of the BOD of  
Bhagyanagar Copper Private Limited,

  
Devendra Surana  
Director  
DIN: 00077296

Place: Secunderabad,  
Date : May 27, 2022

  
Surendra Bhutoria  
Chief Financial Officer

  
Srinivas Dudam  
Company Secretary  
M.No: A23425