



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF BHAGYANAGAR COPPER PRIVATE LIMITED  
Report on the Audit of Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **BHAGYANAGAR COPPER PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, 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 ("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 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2025, and its profit, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's 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.

**Emphasis of matter**

We draw attention to the following matters referring to Note No.40 (B) & (C) of the accompanying financial statements which describes as follows:

- (a) Income tax assessment in the company for the A.Y. 2022-2023 which was completed and the department has raised a demand of Rs. 6622.17 Lakhs against which the company has filed an appeal to the Commissioner of Income Tax Appeal. The company has been advised by the legal experts that it has fair chance of ultimately succeeding in the matter and accordingly no provision has been made in the books of accounts.
- (b) The company has received a GST demand order of Rs. Rs.10335.12 lakhs (including penalty of INR 5168.06 lakhs) from the office of the Additional Commissioner of Central tax, Secunderabad, Hyderabad under the Central Goods and Service Tax, 2017 on the contention that the company has availed inadmissible ITC. Based on the assessment of facts and prevailing law, the company is of the view that the demand order levied is arbitrary and unjustified, however, the company has already deposited an amount of Rs.800 lakhs with GST Department under protest which has been shown in these financial statements under the head "Current Assets the Company has filed an appeal before the appropriate appellate authorities. Further, as per the management decision based on legal experts opinion there is fair chance of succeeding in the matter and hence the provision of the same has not been accounted in the books of accounts.



### Key Audit Matters

1. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current 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. For each matter below, our description of how our audit addressed the matter is provided in that context:

| Descriptions of Key Audit Matter  | How we addressed the matter in our audit  |
|---|---|
| <p>1. Accuracy and completeness of revenue recognized.</p> <p>The Company reported revenue of Rs.1,62,032.78 Lakhs from sale of copper products. The application of revenue recognition accounting standards is complex and involves a number of key judgments and estimates. Due to the estimates and judgment and complexity involved in the application of the revenue recognition accounting standards, we have considered this matter as a key audit matter. The Company's accounting policies relating to revenue recognition are presented in note 4.12 to the financial statements.</p> | <p>We addressed the Key Audit Matter as follows :-</p> <ol style="list-style-type: none"> <li>1. As part of our audit, we understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition and evaluated the design and operating effectiveness of the financial controls from the above through our test of control procedures.</li> <li>2. Assessed the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers") and tested thereof.</li> <li>3. Review the company's judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time.</li> <li>4. Tested a sample of sales transactions for compliance with the Company's accounting Principles to assess the completeness and accuracy of revenue recorded.</li> <li>5. We evaluated the management's process to recognize revenue over a period of time, total cost estimates, status of the projects and re-calculated the arithmetic accuracy of the same.</li> <li>6. Evaluated management assessment of the impact on revenue recognition.</li> <li>7. We examined contracts with exceptions including contracts with low or negative margins, loss making contracts, etc to determine the level of provisioning.</li> <li>8. Our tests of detail focused on transactions occurring within proximity of the year end and obtaining evidence to support the appropriate timing of revenue recognition, based on terms and conditions set out in sales contracts and delivery documents. We considered the appropriateness and accuracy of any cut-off adjustments.</li> <li>9. Performed analytical procedures over revenue and receivables. Compared revenue with historical trends and where appropriate, conducted further enquiries and testing.</li> <li>10. Traced disclosure information to accounting records and other supporting documentation.</li> </ol> |



| Descriptions of Key Audit Matter   | How we addressed the matter in our audit   |
|--|--|
|  | <p>11. Assessed disclosures in financial statements in respect of revenue, as specified in Ind AS 115.</p> <p>12. Our Observation:<br/>Based on the audit procedures performed we did not identify any material exceptions in the revenue recognition.</p>   |
| <p><b>2. Valuation of Inventories.</b></p> <p>Refer to note 7 to the Financial Statements, the Company is having the Inventories of Rs. 15,732.77 Lakhs as on 31st March 2025. As described in the accounting policies in note 4.1 to the financial statements, inventories are carried at the lower of cost and net realisable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory.</p> | <p>We addressed the Key Audit Matter as follows: -</p> <p>We obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions and management assertion regarding existence and ownership by: -</p> <ol style="list-style-type: none"> <li>1. Completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk.</li> <li>2. Verifying the effectiveness of key inventory controls operating over inventories;</li> <li>3. Reviewing the physical verification documents related to inventories conducted during the year.</li> <li>4. Verifying for a sample of individual products that costs have been correctly recorded.</li> <li>3. Comparing the net realisable value to the cost price of inventories to check for completeness of the associated provision.</li> <li>4. Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year.</li> <li>5. Re-computing provisions recorded to verify that they are in line with the Company policy.</li> <li>6. Our Observation:<br/>Based on the audit procedures performed we did not identify any material exceptions in the Inventory valuation and existence.</li> </ol> |



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

The Company's Board of Directors is responsible for the other information. The other information comprise the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

### **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, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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, 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 has disclosed the impact of pending litigations on its financial position in its Note 40 to the Financial Statements.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2025.
  - (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.
- 3) The company has not declared any dividend in the previous financial year which has been paid in current year. Further, no dividend has been declared/ proposed for the current year accordingly the section 123 of the Act is not applicable to the company.
- 4) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 for the financial year ended 31 March 2025.

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



Arun Luharuka  
(Partner)

Membership No.021869  
UDIN: 25021869BMODYS7340

Place: Secunderabad  
Date: 05<sup>th</sup> May, 2025

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

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of BHAGYANAGAR COPPER 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")**

1. We have audited the internal financial controls with reference to Financial Statements of **BHAGYANAGAR COPPER PRIVATE LIMITED** ("the Company") as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### **Meaning of Internal Financial Controls over Financial Reporting**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external



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

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

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

#### **Opinion**

8. 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 2025, 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**

A handwritten signature in blue ink, appearing to read "Arun Luharuka".

**Arun Luharuka  
(Partner)**

**Membership No.021869  
UDIN: 25021869BMODYS7340**

**Place: Secunderabad  
Date: 05<sup>th</sup> May, 2025**

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

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members BHAGYANAGAR COPPER 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) The Property, Plant and Equipment have been physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to the information and explanation given to us, 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) or intangible assets during the year ended March 31, 2025. Accordingly the reporting under clause 3(i)(d) of the order is not applicable to the company.
  - e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition Benami Transactions Act, 1988 (as amended in 2016) (formerly the benami transactions (prohibition) Act, 1988 (45 of 1988) and rules made thereunder and therefore the question of our commenting on whether the company appropriately disclosed the details in its financial statements does not arise.
- (ii) **In the respect of matters specified in clause (ii) of paragraphs 3 the order :**
- (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 notes to the financial statements, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly statement returns with such banks which are in agreement with the books of accounts of the Company.
- (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 except the following;

| Name of Statue      | Nature of dues | Amount involved in dispute & not paid (Lakhs) | Period to which it relates | Forum where dispute is pending |
|---------------------|----------------|---|----------------------------|--------------------------------|
| Income Tax Act 1961 | INCOME TAX     | Rs.6622.17                                    | 2021-22 (AY)               | CIT APPEAL HYD                 |

- (a) 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 as applicable, with the appropriate authorities in India *except* the following;

| Name of Statue | Nature of dues | Amount involved in dispute & not paid (Lakhs) | Period to which it relates | Forum where dispute is pending                     |
|----------------|----------------|---|----------------------------|--|
| GST Act 2017   | GST            | Rs.10335.12                                   | Dec 2019 to March 2023     | COMMISSIONER OF CUSTOMS & INDIRECT TAXES, HYDERABD |

- (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.



- (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 up to 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) (a) 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.  
(b) In our opinion, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- (xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

Place: Secunderabad  
Date: 05<sup>th</sup> May 2025



For Luharuka & Associates  
Chartered Accountants  
Firm Reg No: - 018825  
  
Arun Luharuka  
(Partner)  
Membership No.021869  
UDIN: 25021869BMODYS7340

**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**CIN: U27100MH2008PTC181786**  
**BALANCE SHEET AS AT 31st MARCH, 2025**

| PARTICULARS  | (All amounts are in Indian Rupees (lakhs)) |                       |                       |
|--|--|-----------------------|-----------------------|
|  | Note No.                                   | As at 31st March 2025 | As at 31st March 2024 |
| <b>ASSETS</b>  |  |                       |                       |
| <b>NON-CURRENT ASSETS</b>  |  |                       |                       |
| (i) Property, Plant and equipment  | 5  | 5,771.84              | 5,199.80              |
| (ii) Financial Assets  |  |                       |                       |
| a) Other Non-current Financial Assets  | 6  | 179.46                | 187.79                |
| <b>SUB TOTAL (A)</b>   |  | <b>5,951.30</b>       | <b>5,387.60</b>       |
| <b>CURRENT ASSETS</b>  |  |                       |                       |
| (i) Inventories (Valued at lower of Cost or Net Realisable)                  | 7  | 15,732.77             | 8,324.34              |
| (ii) Financial Assets  |  |                       |                       |
| a) Trade Receivables   | 8  | 14,503.19             | 9,653.70              |
| b) Cash and Cash Equivalents   | 9  | 493.94                | 194.18                |
| c) Bank Balance other than Cash and Cash Equivalents                         | 10   | 63.28                 | 80.74                 |
| (iii) Other Current Asset  | 11   | 12,221.59             | 6,601.39              |
| <b>SUB TOTAL (B)</b>   |  | <b>43,014.77</b>      | <b>24,854.35</b>      |
| <b>TOTAL ASSETS (A + B)</b>  |  | <b>48,966.07</b>      | <b>30,241.94</b>      |
| <b>EQUITY AND LIABILITIES</b>  |  |                       |                       |
| <b>EQUITY</b>  |  |                       |                       |
| (i) Equity Share Capital   | 12   | 2,000.00              | 2,000.00              |
| (ii) Other Equity  | 13   | 4,826.75              | 3,570.85              |
| <b>SUB TOTAL (A)</b>   |  | <b>6,826.75</b>       | <b>5,570.85</b>       |
| <b>LIABILITIES</b>   |  |                       |                       |
| <b>NON-CURRENT LIABILITIES</b>   |  |                       |                       |
| (i) Financial Liabilities  |  |                       |                       |
| -Borrowings  | 14   | 18,868.70             | 15,918.76             |
| -Other Non Current Liabilities   | 15   | 1,343.36              | 1,343.36              |
| -Deferred Tax Liability  | 16   | 132.32                | 114.38                |
| <b>SUB TOTAL (B)</b>   |  | <b>20,344.38</b>      | <b>17,376.51</b>      |
| <b>CURRENT LIABILITIES</b>   |  |                       |                       |
| (i) Financial Liabilities  |  |                       |                       |
| a) Borrowings  | 17   | 19,498.68             | 4,763.17              |
| b) Trade Payables  | 18   |                       |                       |
| - Total Outstanding dues of Micro and Small Enterprises                      |  | 17.61                 | 45.08                 |
| - Total Outstanding dues of Creditors Other than Micro and Small Enterprises |  | 1,630.14              | 2,043.61              |
| (ii) Current Tax Liability (net)   | 19   | 33.51                 | 27.32                 |
| (iii) Other Current Liabilities  | 20   | 385.31                | 255.88                |
| (iv) Provisions  | 21   | 229.69                | 159.52                |
| <b>SUB TOTAL (C)</b>   |  | <b>21,794.94</b>      | <b>7,294.59</b>       |
| <b>TOTAL EQUITY AND LIABILITIES (A + B + C)</b>                              |  | <b>48,966.07</b>      | <b>30,241.94</b>      |

Significant accounting policies and key accounting estimates and judgements 1 to 4

The accompanying notes form an integral part of financial statements 29 to 53

As per our report of even date attached  
**For LUHARUKA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
 Firm Reg No.018825

For and on Behalf of the BOD of  
 Bhagyanagar Copper Private Limited

**Arun Luharuka**  
 Partner  
 M. No. 021869

**Devendra Surana**  
 Director  
 DIN : 00077296

**Rakesh Kumar Agarwal**  
 Director  
 DIN : 01829157

Place: Secunderabad,  
 Date : 05.05.2025



**Surendra Bhutoria**  
 Chief Financial Officer

**Ritika Tandon**  
 Company Secretary  
 M. No. A32215

**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**CIN: U27100MH2008PTC181786**  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2025**

| PARTICULARS   | Note No. | (All amounts are in Indian Rupees (lakhs)) |                                  |
|---|----------|--|----------------------------------|
|   |          | For the Year ended<br>31.03.2025           | For the Year ended<br>31.03.2024 |
| <b>I. REVENUE FROM OPERATIONS</b>                                 | 22       | 1,62,032.78                                | 85,945.66                        |
| <b>II. OTHER INCOME</b>   | 23       | 234.40                                     | 25.61                            |
| <b>III. TOTAL INCOME (I+II)</b>                                   |          | <b>1,62,267.18</b>                         | <b>85,971.27</b>                 |
| <b>IV. EXPENSES</b>   |          |  |                                  |
| Cost of Materials Consumed  | 24       | 1,50,813.35                                | 80,662.85                        |
| (Increase)/Decrease in Inventories                                | 25       | (99.87)                                    | (2,368.27)                       |
| Employee Benefit Expenses   | 26       | 1,371.53                                   | 877.76                           |
| Finance costs   | 27       | 1,674.18                                   | 967.69                           |
| Depreciation Expense  | 5        | 472.73                                     | 321.49                           |
| Other expenses  | 28       | 6,378.17                                   | 4,580.02                         |
| <b>TOTAL EXPENSES (IV)</b>  |          | <b>1,60,610.08</b>                         | <b>85,041.53</b>                 |
| <b>V. PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (III-IV)</b>        |          | <b>1,657.10</b>                            | <b>929.74</b>                    |
| <b>VI. Exceptional Items</b>                                      |          | -  | -                                |
| <b>VII. PROFIT BEFORE TAX (V+VI)</b>                              |          | <b>1,657.10</b>                            | <b>929.74</b>                    |
| <b>VIII. TAX EXPENSE:</b>   |          |  |                                  |
| 1. Current tax  |          | 383.25                                     | 170.73                           |
| 2. Deferred Tax   |          | 17.94                                      | 120.67                           |
| <b>IX. PROFIT FOR THE YEAR (VII - VIII)</b>                       |          | <b>1,255.91</b>                            | <b>638.34</b>                    |
| <b>X. OTHER COMPREHENSIVE INCOME</b>                              |          |  |                                  |
| A Items that will not be reclassified to profit or loss           |          | -  | -                                |
| B Items that will be reclassified to profit or loss               |          | -  | -                                |
| <b>TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>       |          | -  | -                                |
| <b>XI Total Comprehensive Income / (Loss) for the year (IX+X)</b> |          | <b>1,255.91</b>                            | <b>638.34</b>                    |
| <b>XII Earning Per Equity Share</b>                               |          |  |                                  |
| (a) Basic   |          | 6.28                                       | 3.19                             |
| (b) Diluted   |          | 6.28                                       | 3.19                             |

Significant accounting policies and key accounting estimates and judgements

1 to 4

The accompanying notes form an integral part of financial statements

29 to 53

As per our report of even date attached

For LUHARUKA & ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
 Firm Reg No.01882S

For and on Behalf of the BOD of Bhagyanagar  
 Copper Private Limited



Arun Luharuka  
 Partner  
 M. No. 021869



Devendra Surana  
 Director  
 DIN : 00077296



Rakesh Kumar Agarwal  
 Director  
 DIN : 01829157





Surendra Bhutoria  
 Chief Financial Officer



Ritika Tandon  
 Company Secretary  
 M. No. A32215

Place: Secunderabad,  
 Date : 05.05.2025

**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**CIN: U27100MH2008PTC181786**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025**

| PARTICULARS   | (All amounts are in Indian Rupees (lakhs)) |  |
|---|--|--|
|   | For the Year ended<br>31st March, 2025     | For the Year ended<br>31st March, 2024 |
| <b>A Cash flow from Operating Activities</b>                        |  |  |
| Net profit before tax as per annexed Profit and loss account        | 1,657.10                                   | 929.74                                 |
| Adjustments for:  |  |  |
| Depreciation & Amortisation   | 472.73                                     | 321.49                                 |
| Interest paid   | 1,674.18                                   | 967.69                                 |
| Sundry Balances Written Off   | -  | 17.56                                  |
| Interest Received   | (3.44)                                     | (7.07)                                 |
| Sundry Balances Written Back  | (8.18)                                     | 5.69                                   |
| Profit from sale of Asset   | (205.56)                                   | -                                      |
| Goodwill on Slump Sale Written Off                                  | -  | 2.94                                   |
| <b>Operating profit before working Capital Changes</b>              | <b>3,586.82</b>                            | <b>2,238.04</b>                        |
| Other Non current Financial Assets                                  | 8.34                                       | (107.98)                               |
| Other current assets  | (5,620.21)                                 | (2,434.36)                             |
| Inventory   | (7,408.43)                                 | (2,726.34)                             |
| Trade receivables   | (4,849.49)                                 | (7,915.43)                             |
| Trade Payables  | (432.75)                                   | 2,515.95                               |
| Other Current Liabilities   | 129.42                                     | 185.49                                 |
| Provisions  | 70.17                                      | 50.64                                  |
| <b>Cash generated from Operations</b>                               | <b>(14,516.13)</b>                         | <b>(8,193.98)</b>                      |
| Income Tax Paid (including Prior Period)                            | (377.06)                                   | (152.66)                               |
| <b>Net cash (used in)/from Operating Activities(A)</b>              | <b>(14,893.19)</b>                         | <b>(8,346.64)</b>                      |
| <b>B Cash flow from Investing Activities</b>                        |  |  |
| Purchase of Fixed Assets & Other Capital Expenditure                | (1,106.32)                                 | (1,164.82)                             |
| Interest Received   | 3.44                                       | 7.07                                   |
| Issue of Preference share capital                                   | -  | 1,644.00                               |
| Sale of Fixed Asset   | 267.11                                     | -                                      |
| <b>Net Cash (used in)/from Investing Activities (B)</b>             | <b>(835.77)</b>                            | <b>486.25</b>                          |
| <b>C Cash flow from Financing Activities</b>                        |  |  |
| Interest Paid   | (1,674.18)                                 | (967.69)                               |
| Increase (Decrease) in Unsecured Loans                              | 2,997.40                                   | 12,314.03                              |
| Borrowings  | 14,688.03                                  | (3,245.45)                             |
| (Increase)/Decrease in restricted deposits                          | 17.46                                      | (50.93)                                |
| <b>Net Cash (used in)/from Financing Activities (C)</b>             | <b>16,028.72</b>                           | <b>8,049.97</b>                        |
| <b>Net Increase / Decrease in cash and Cash Equivalents (A+B+C)</b> | <b>299.76</b>                              | <b>189.58</b>                          |
| Cash and Cash Equivalents Opening Balance                           | 194.18                                     | 4.60                                   |
| Cash and Cash Equivalents Closing Balance                           | 493.94                                     | 194.18                                 |
| <b>Change in Cash and Cash Equivalents</b>                          | <b>299.76</b>                              | <b>189.58</b>                          |

The Cash flow Statement has been prepared as set out in Indian Accounting Standard (IND AS) 7 : STATEMENT OF CASH FLOWS, as amended by Companies (Indian Accounting Standards) (Amendment) Rules 2016. This is the Cash Flow Statement referred to in our report of even date attached

| Notes : Components of cash and cash equivalents | 2024-25       | 2023-24       |
|---|---------------|---------------|
| Cash in hand                                    | 3.52          | 4.53          |
| Cash with banks                                 | 490.41        | 189.65        |
| <b>TOTAL</b>                                    | <b>493.94</b> | <b>194.18</b> |

Significant accounting policies and key accounting estimates and judgements  
The accompanying notes form an integral part of financial statements

1 to 4  
29 to 53

As per our report of even date attached

For LUHARUKA & ASSOCIATES  
**CHARTERED ACCOUNTANTS**  
Firm Reg No.018825

Arun Luharuka  
Partner  
M. No. 023019

For and on behalf of the BOD of Bhagyanagar  
Copper Private Limited

Devendra Surana      Rakesh Kumar Agarwal  
Director                      Director  
DIN : 00077296          DIN : 01829157

Place: Secunderabad,  
Date : 05.05.2025



Surendra Bhutoria      Ritika Tandon  
Chief Financial Officer      Company Secretary  
M. No. A32215

**Instrument classified as Equity: 1% Non Cumulative Optionally Convertible Preference Shares**

**C.4 Details of Shareholders holding more than 5% in the Preference Shares Capital**

| Name of Shareholder       | As at 31st March 2025 |              | As at 31st March 2024 |              |
|---------------------------|-----------------------|--------------|-----------------------|--------------|
|                           | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| BHAGYANAGAR INDIA LIMITED | 1,00,00,000           | 100          | 1,00,00,000           | 100          |
| Total                     | 1,00,00,000           | 100          | 1,00,00,000           | 100          |

**Terms of 1% Non Cumulative Optionally Convertible Preference Shares (OCPS)**

The OCPS shall be converted at the option of the company or shareholder into such number of equity share of Rs.10/- each, at the higher of Fair Market Value determined as on the date of conversion or Rs.10/- per equity share but not later than 5 years from the date of allotment of the OCPS i.e. February 19th, 2024.

**Rights, Preferences and Restrictions attached to Preference Shares**

The Company has one class of Preference Shares i.e. %1 Non Cumulative Optionally Convertible Preference Shares (OCPS) of `10/- per share. Such Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding-up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. The OCPS shall carry voting rights prescribed under the provisions of the Companies Act, 2013

**The reconciliation of the number of 1% Non Cumulative Optionally Convertible Preference Shares outstanding is set out below :**

| Particulars                                     | As at 31st March 2025 |        | As at 31st March 2024 |        |
|---|-----------------------|--------|-----------------------|--------|
|   | Number                | Amount | Number                | Amount |
| Shares outstanding at the beginning of the year | 1,00,00,000           | 1,000  | -                     | -      |
| Shares Issued during the year                   | -                     | -      | 1,00,00,000           | 1,000  |
| Shares bought back during the year              | -                     | -      | -                     | -      |
| Shares outstanding at the end of the year       | 1,00,00,000           | 1,000  | 1,00,00,000           | 1,000  |

Significant accounting policies and key accounting estimates and judgements  
The accompanying notes form an integral part of financial statements

1 to 4  
29 to 53

**As per our report of even date attached  
For LUHARUKA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Reg No.018825**

*(Signature)*

**Arun Luharuka  
Partner  
M. No. 021869**



**Place: Secunderabad,  
Date : 05.05.2025**

**For and on behalf of the BOD of Bhagyanagar  
Copper Private Limited**

*(Signature)*

**Devendra Surana  
Director  
DIN : 00077296**

*(Signature)*

**Rakesh Kumar Agarwal  
Director  
DIN : 01829157**

*(Signature)*

**Surendra Bhutoria  
Chief Financial Officer**

*(Signature)*

**Ritika Tandon  
Company Secretary  
M. No. A32215**

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

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

| Particulars                                    | A. Equity Share capital |                 |
|--|-------------------------|-----------------|
|  | No of shares            | Amount          |
| <b>Current year Reporting period</b>           |                         |                 |
| Balance as at 1 April 2024                     | 2,00,00,000             | 2,000.00        |
| Changes in equity share capital during 2024-25 | -                       | -               |
| <b>Balance as at 31 March 2025</b>             | <b>2,00,00,000</b>      | <b>2,000.00</b> |
| <b>Previous year Reporting period</b>          |                         |                 |
| Balance as at 1 April 2023                     | 2,00,00,000             | 2,000.00        |
| Changes in equity share capital during 2023-24 | -                       | -               |
| <b>Balance as at 31 March 2024</b>             | <b>2,00,00,000</b>      | <b>2,000.00</b> |

**B. Other equity**

| PARTICULARS  | Other Equity      |                 |  | Instrument classified as Equity | Share Premium | Total           |
|--|-------------------|-----------------|--|---------------------------------|---------------|-----------------|
|  | Retained Earnings | Capital Reserve |  |                                 |               |                 |
| <b>Balance as at 1 April 2024 (A)</b>  | 1,440.21          | 486.64          |  | 1,000.00                        | 644.00        | 3,570.85        |
| Profit for the year  | 1,255.91          | -               |  | -                               | -             | 1,255.91        |
| Other Comprehensive Income (net of tax)  | -                 | -               |  | -                               | -             | -               |
| <b>Total Comprehensive Income for the year 2024-25 (B)</b>   | <b>1,255.91</b>   | <b>-</b>        |  | <b>-</b>                        | <b>-</b>      | <b>1,255.91</b> |
| <b>Balance at 31 March 2025 C=(A+B)</b>  | <b>2,696.11</b>   | <b>486.64</b>   |  | <b>1,000.00</b>                 | <b>644.00</b> | <b>4,826.75</b> |
| <b>Balance at 1 April 2023 (D)</b>   | 801.86            | 486.64          |  | -                               | -             | 1,288.50        |
| Profit for the year  | 638.34            | -               |  | -                               | -             | 638.34          |
| Other Comprehensive Income (net of tax)  | -                 | -               |  | -                               | -             | -               |
| <b>Total Comprehensive Income for the Year 2023-24 (E)</b>   | <b>638.34</b>     | <b>-</b>        |  | <b>-</b>                        | <b>-</b>      | <b>638.34</b>   |
| <b>1% Non Cumulative Optionally Convertible Preference Shares of Rs.10/- each, fully paid up (F)</b>             | -                 | -               |  | <b>1,000.00</b>                 | -             | <b>1,000.00</b> |
| <b>Reserve created during the year on issue of 1% Non Cumulative Optionally Convertible Preference Shares(G)</b> | -                 | -               |  | -                               | <b>644.00</b> | <b>644.00</b>   |
| <b>Balance at 31 March 2024 H= (D to G)</b>  | <b>1,440.21</b>   | <b>486.64</b>   |  | <b>1,000.00</b>                 | <b>644.00</b> | <b>3,570.85</b> |

**C.1 Retained earnings**

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

**C.2 Capital Reserve**

Capital Reserve is created on account of Revaluation of Land at the time of conversion of Land from inventory to Capital Asset and the same is not available for distribution to the shareholders.

**C.3 Share Premium:** Share Premium account created on account of issue of Optionally Convertible Non Cumulative Preference Shares issued in this Financial Year



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025**

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

Following are the changes in the carrying value of Property, Plant and Equipments for the Period Ended 31st March 2025

(All amounts are in Indian Rupees (lakhs))

| Particulars                | Free hold land  | Factory Building | Plant & Equipments | Electrical Installation | Vehicles      | Furniture and Fixtures | Computers    | Office Equipment | Grand Total     |
|----------------------------|-----------------|------------------|--------------------|-------------------------|---------------|------------------------|--------------|------------------|-----------------|
| <b>A. Gross Block</b>      |                 |                  |                    |                         |               |                        |              |                  |                 |
| At 1st April, 2023         | 1,202.31        | 377.12           | 2,639.89           | 459.89                  | 447.00        | 6.35                   | 3.79         | -                | 5,136.35        |
| Additions                  | -               | -                | 966.13             | 52.62                   | 119.90        | 8.39                   | 6.58         | 11.24            | 1,164.87        |
| Disposals                  | -               | -                | -                  | -                       | -             | -                      | -            | -                | -               |
| <b>At 31st March, 2024</b> | <b>1,202.31</b> | <b>377.12</b>    | <b>3,606.03</b>    | <b>512.52</b>           | <b>566.91</b> | <b>14.73</b>           | <b>10.37</b> | <b>11.24</b>     | <b>6,301.22</b> |
| Additions                  | 6.00            | -                | 982.16             | 33.91                   | 31.22         | 1.20                   | 7.60         | 44.24            | 1,106.32        |
| Disposals                  | (61.55)         | -                | -                  | -                       | -             | -                      | -            | -                | (61.55)         |
| <b>At 31st March, 2025</b> | <b>1,146.76</b> | <b>377.12</b>    | <b>4,588.18</b>    | <b>546.43</b>           | <b>598.12</b> | <b>15.93</b>           | <b>17.96</b> | <b>55.47</b>     | <b>7,345.98</b> |
| <b>B. Depreciation</b>     |                 |                  |                    |                         |               |                        |              |                  |                 |
| At 1st April, 2023         | -               | 114.72           | 518.64             | 113.40                  | 29.95         | 0.62                   | 2.56         | -                | 779.88          |
| Charge for the Year        | -               | 23.88            | 202.75             | 31.12                   | 61.11         | 0.86                   | 1.09         | 0.72             | 321.54          |
| Disposals                  | -               | -                | -                  | -                       | -             | -                      | -            | -                | -               |
| <b>At 31st March, 2024</b> | <b>-</b>        | <b>138.60</b>    | <b>721.39</b>      | <b>144.52</b>           | <b>91.05</b>  | <b>1.48</b>            | <b>3.65</b>  | <b>0.72</b>      | <b>1,101.41</b> |
| Charge for the Year        | -               | 32.78            | 293.63             | 38.41                   | 94.03         | 0.90                   | 3.41         | 9.57             | 472.73          |
| Disposals                  | -               | -                | -                  | -                       | -             | -                      | -            | -                | -               |
| <b>At 31st March, 2025</b> | <b>-</b>        | <b>171.38</b>    | <b>1,015.02</b>    | <b>182.93</b>           | <b>185.08</b> | <b>2.38</b>            | <b>7.06</b>  | <b>10.29</b>     | <b>1,574.14</b> |
| <b>C. Net Block (A-B)</b>  |                 |                  |                    |                         |               |                        |              |                  |                 |
| At 31st March, 2024        | 1,202.31        | 238.52           | 2,884.64           | 368.00                  | 475.85        | 13.25                  | 6.71         | 10.52            | 5,199.80        |
| At 31st March, 2025        | 1,146.76        | 205.75           | 3,573.16           | 363.50                  | 413.04        | 13.55                  | 10.90        | 45.18            | 5,771.84        |



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**  
**(All amounts are in Indian Rupees (lakhs))**

|           |  |                 |                             |                             |
|-----------|--|-----------------|-----------------------------|-----------------------------|
| <b>6</b>  | <b>Other Non-current financial assets</b>  | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
|           | <b>Unsecured, Considered good.</b>   |                 |                             |                             |
|           | (a) Security Deposits  | <b>6(a)</b>     | 179.46                      | 187.79                      |
|           | <b>TOTAL</b>   |                 | <b>179.46</b>               | <b>187.79</b>               |
|           | <b>Note 6(a)</b>   |                 |                             |                             |
|           | Security deposits primarily include Deposits with Electricity Department.  |                 |                             |                             |
| <b>7</b>  | <b>Inventories</b>   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
|           | <b>(Valued at lower of Cost or Net Realisable Value)</b>   |                 |                             |                             |
|           | Raw Materials  |                 | 12,199.85                   | 4,290.63                    |
|           | Work in Process  |                 | 2,194.53                    | 2,127.67                    |
|           | Finished Goods   | <b>7(a)</b>     | 1,168.84                    | 1,135.82                    |
|           | Material - in- Transit   |                 | 169.55                      | 770.22                      |
|           | <b>TOTAL</b>   |                 | <b>15,732.77</b>            | <b>8,324.34</b>             |
|           | <b>Note 7(a)</b>   |                 |                             |                             |
|           | All the Working Capital Facilities of the company are secured by hypothecation of inventories(Part of Current Assets) .<br>The monthly statements filed by the company with the bank(s) in respect of such facilities are in agreement with the books of accounts. |                 |                             |                             |
| <b>9</b>  | <b>Cash and Cash Equivalents</b>   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
|           | (i) Cash on hand   | <b>9(a)</b>     | 3.52                        | 4.53                        |
|           | (ii) Balances with Bank  |                 |                             |                             |
|           | - In EEFC account  |                 | 485.95                      | 189.65                      |
|           | - In Foreign Currency account  |                 | 4.47                        | -                           |
|           | <b>TOTAL</b>   |                 | <b>493.94</b>               | <b>194.18</b>               |
|           | <b>Note 9(a)</b>   |                 |                             |                             |
|           | Cash and Cash Equivalents are denominated and held in Indian Rupees except for EEFC account held in foreign currency   |                 |                             |                             |
| <b>10</b> | <b>Other Balances with Bank</b>  | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
|           | <b>Earmarked Balances with Bank</b>  |                 |                             |                             |
|           | (i) Margin Money Deposit Against Bank Guarantee<br><b>(With original Maturity of 3 months or more)</b>   | <b>10(a)</b>    | 61.22                       | 78.78                       |
|           | (ii) Accrued Interest on Fixed Deposit   |                 | 2.06                        | 1.96                        |
|           | <b>TOTAL</b>   |                 | <b>63.28</b>                | <b>80.74</b>                |
|           | <b>Note 10(a)</b>  |                 |                             |                             |
|           | Margin Money Deposits are denominated and held in Indian Rupees  |                 |                             |                             |
| <b>11</b> | <b>Other Current Asset</b>   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
|           | <b>Unsecured, Considered good.</b>   |                 |                             |                             |
|           | (a) Balances with Statutory Authorities  | <b>11(a)</b>    | 1,566.00                    | 1,021.41                    |
|           | (b) Advances To Suppliers  |                 | 5,941.31                    | 2,933.17                    |
|           | (c) Margin Money for Copper Hedging  |                 | 3,887.72                    | 1,817.64                    |
|           | (d) Loan to staff  |                 | 26.56                       | 29.17                       |
|           | (e) Taxes Paid under Protest   |                 | 800.00                      | 800.00                      |
|           | <b>TOTAL</b>   |                 | <b>12,221.59</b>            | <b>6,601.39</b>             |

**Notes:**

**11(a)**

The Balance with Statutory Authorities includes IGST Refund (paid on Exports) Receivable -Rs.243.29 lacs (PY - 554.39 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



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**

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

| 12 Equity Share Capital   | As at 31st March 2025 |                 | As at 31st March 2024 |                 |
|---|-----------------------|-----------------|-----------------------|-----------------|
|   | Number                | Amount          | Number                | Amount          |
| <b>Authorised</b>   |                       |                 |                       |                 |
| 20,000,000 (March 31, 2024 :<br>20,000,000) Equity Shares of Rs. 10 each<br>fully paid up | 2,00,00,000           | 2,000.00        | 2,00,00,000           | 2,000.00        |
| <b>Issued, subscribed and fully paid-up shares</b>  |                       |                 |                       |                 |
| 20,000,000 (March 31, 2024 :<br>20,000,000) Equity Shares of Rs. 10 each<br>fully paid up | 2,00,00,000           | 2,000.00        | 2,00,00,000           | 2,000.00        |
| <b>Total issued, subscribed and fully paid-up</b>   | <b>2,00,00,000</b>    | <b>2,000.00</b> | <b>2,00,00,000</b>    | <b>2,000.00</b> |

**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. 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 2025 |        | As at 31st March 2024 |        |
|---|-----------------------|--------|-----------------------|--------|
|   | 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% shares in the Company**

| Name of Shareholder       | As at 31st March 2025 |              | As at 31st March 2024 |              |
|---------------------------|-----------------------|--------------|-----------------------|--------------|
|                           | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| BHAGYANAGAR INDIA LIMITED | 1,99,99,900           | 100          | 1,99,99,900           | 100          |
| Total                     | 1,99,99,900           | 100          | 1,99,99,900           | 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.

**c) Particulars of share holders holding more than 5% shares in the Company**

| Name of Shareholder       | As at 31st March 2025 |              | As at 31st March 2024 |              |
|---------------------------|-----------------------|--------------|-----------------------|--------------|
|                           | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| BHAGYANAGAR INDIA LIMITED | 1,99,99,900           | 100          | 1,99,99,900           | 100          |
| Total                     | 1,99,99,900           | 100          | 1,99,99,900           | 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 2025   |                              |                          | As at March 2024   |                              |                          |
|---------------------------|--------------------|------------------------------|--------------------------|--------------------|------------------------------|--------------------------|
|                           | 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.



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**  
**(All amounts are in Indian Rupees (lakhs))**

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| Other equity  | Reserves and Surplus |                 |               |                                 |                 |
|---|----------------------|-----------------|---------------|---------------------------------|-----------------|
|   | Retained Earnings    | Capital reserve | Share Premium | Instrument classified as Equity | Total           |
| <b>Balance at 1 April 2024 (A)</b>  | <b>1,440.21</b>      | <b>486.64</b>   | <b>644.00</b> | <b>1,000.00</b>                 | <b>3,570.85</b> |
| Profit for the year   | 1,255.91             | -               | -             | -                               | 1,255.91        |
| Other Comprehensive Income (net of tax)   | -                    | -               | -             | -                               | -               |
| Reserve created during the year   | -                    | -               | -             | -                               | -               |
| <b>Total Comprehensive Income for the year 2024-25 (B)</b>  | <b>1,255.91</b>      | <b>-</b>        | <b>-</b>      | <b>-</b>                        | <b>1,255.91</b> |
| <b>Balance at 31 March 2025 C=(A+B)</b>   | <b>2,696.11</b>      | <b>486.64</b>   | <b>644.00</b> | <b>1,000.00</b>                 | <b>4,826.75</b> |
| <b>Balance at 1 April 2023 (D)</b>  | <b>801.86</b>        | <b>486.64</b>   | <b>-</b>      | <b>-</b>                        | <b>1,288.50</b> |
| Profit for the year   | 638.34               | -               | -             | -                               | 638.34          |
| Other Comprehensive Income (net of tax)   | -                    | -               | -             | -                               | -               |
| Reserve created during the year   | -                    | -               | -             | -                               | -               |
| <b>Total Comprehensive Income for the Year 2023-24 (E)</b>  | <b>638.34</b>        | <b>-</b>        | <b>-</b>      | <b>-</b>                        | <b>638.34</b>   |
| <b>1% Non Cumulative Optionally Convertible Preference Shares of Rs.10/- each, fully paid up (F)</b>              | <b>-</b>             | <b>-</b>        | <b>-</b>      | <b>1,000.00</b>                 | <b>1,000.00</b> |
| <b>Reserve created during the year on issue of 1% Non Cumulative Optionally Convertible Preference Shares (G)</b> | <b>-</b>             | <b>-</b>        | <b>644.00</b> | <b>-</b>                        | <b>644.00</b>   |
| <b>Balance at 31 March 2024 H=(D+E+F+G)</b>   | <b>1,440.21</b>      | <b>486.64</b>   | <b>644.00</b> | <b>1,000.00</b>                 | <b>3,570.85</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 on account of Revaluation of Land at the time of conversion of Land from inventory to Capital Asset and the same is not available for distribution to the shareholders.

**Share Premium:** Share Premium account created on account of Issue of Optionally Convertible Non Cumulative Preference Shares issued in this Financial

**Instrument classified as Equity**

**4.1 Details of Shareholders holding more than 5% in the Preference Shares Capital**

(1% Non Cumulative Optionally Convertible Preference Shares)

| Name of Shareholder       | 31-03-2025         |              | 31-03-2024         |              |
|---------------------------|--------------------|--------------|--------------------|--------------|
|                           | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| BHAGYANAGAR INDIA LIMITED | 1,00,00,000        | 100          | 1,00,00,000        | 100          |
| Total                     | 1,00,00,000        | 100          | 1,00,00,000        | 100          |

**4.2 Terms of 1% Non Cumulative Optionally Convertible Preference Shares (OCPS)**

The OCPS shall be converted at the option of the company or shareholder into such number of equity share of Rs.10/- each, at the higher of Fair Market Value determined as on the date of conversion or Rs.10/- per equity share but not later than 5 years from the date of allotment of the OCPS i.e. February 19th, 2024.

**4.3 Rights, Preferences and Restrictions attached to Preference Shares**

The Company has one class of Preference Shares i.e. 1% Non Cumulative Optionally Convertible Preference Shares (OCPS) of ₹10/- per share. Such Preference Shares shall carry a preferential right over the Equity shares of the Company as regards to payment of dividend and repayment of capital, in the event of winding-up of the Company. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting. The OCPS shall carry voting rights prescribed under the provisions of the Companies Act, 2013

**4.4 The reconciliation of the number of 1% Non Cumulative Optionally Convertible Preference Shares outstanding is set**

| Particulars                                     | 31st March 2025 |              | 31st March 2024 |              |
|---|-----------------|--------------|-----------------|--------------|
|   | Number          | Amount       | Number          | Amount       |
| Shares outstanding at the beginning of the year | 1,00,00,000     | 10,00,00,000 | -               | -            |
| Shares Issued during the year                   | -               | -            | 1,00,00,000     | 10,00,00,000 |
| Shares bought back during the year              | -               | -            | -               | -            |
| Shares outstanding at the end of the year       | 1,00,00,000     | 10,00,00,000 | 1,00,00,000     | 10,00,00,000 |



**BHAGYANAGAR COPPER PRIVATE LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**

| 14 | Non-Current Borrowings                                  | Sub Note               | As at            | As at            |
|----|---|------------------------|------------------|------------------|
|    |   |                        | 31.03.2025       | 31.03.2024       |
|    | <b>Secured (Loan from banks)</b>                        |                        |                  |                  |
|    | (a)Guaranteed Emergency Credit Line - HDFC Bank         | 14 (a)                 | -                | 527.18           |
|    | (b)Term Loan - HSBC                                     | 14 (b)                 | 720.03           | -                |
|    | <b>Vehicle Loans</b>                                    |                        |                  |                  |
|    | ( a) HDFC Bank  | 14 (c)                 | 152.03           | 199.47           |
|    | ( b) Mercedes Benz Financial Services Private Limited   | 14 (d)                 | 51.64            | 67.63            |
|    |   | (A)                    | <b>923.70</b>    | <b>794.28</b>    |
|    | <b>Less:</b> Current maturities of long term borrowings | (B)                    | 402.11           | 225.21           |
|    |   | <b>Total C = (A-B)</b> | <b>521.59</b>    | <b>569.06</b>    |
|    | <b>UnSecured (Loan from related parties)*</b>           |                        |                  |                  |
|    | (a) Loan from holding Company                           | 14 (e)                 | 10,931.42        | 11,306.68        |
|    | (b) Loan from Directors                                 | 14 (f)                 | 1,814.94         | 2,135.46         |
|    | (c) Loan from Associate Companies                       | 14 (g)                 | 5,600.74         | 1,907.56         |
|    |   | (D)                    | <b>18,347.10</b> | <b>15,349.70</b> |
|    |   | <b>TOTAL (C+D)</b>     | <b>18868.70</b>  | <b>15918.76</b>  |

**Notes**

**14 (a) Guaranteed Emergency Credit Line - HDFC Bank**

Loan of Rs.540Lacs was sanctioned by way of Guaranteed Emergency Credit Line by HDFC Bank in the month of January 2022 which was repaid fully during the Financial Year 2024-25

**14 (b) Term Loan - HSBC Bank**

Term Loan of Rs.1000 lacs is sanctioned by HSBC Bank by way of Term Loan during Financial Year 2024-25. The Loan is repayable in 36 Monthly instalments starting from Sep,2024 .The Principal repayable during FY 2025-26 amounting to Rs.333.28 lacs is classified under Current Maturities of Long Term Debt-Note:17

**14 (c) Vehicle Loan - HDFC Bank**

The company availed a Car loan of Rs.253.62 lakhs from HDFC Bank during the FY 2022-23.The Loan is repayable in 60 Monthly instalments starting from January,2023 .The Principal repayable during FY 2025-26 amounting to Rs.51.43 lacs is classified under Current Maturities of Long Term Debt-Note:17.

**14 (d) Vehicle Loan - Mercedes Benz Financial Services Pvt.**

The company availed a Car loan of Rs.84.64 lakhs from Mercedes Benz Financial Services Pvt Limited during the FY 2022-23.The Loan is repayable in 60 Monthly instalments starting from January,2023 .The Principal repayable during FY 2025-26 amounting to Rs.17.40 lacs is classified under Current Maturities of Long Term Debt-Note:17.

**Notes:**

**Details of Unsecured Loans\***

**Loan from Holding Company**

**14 (e) Name of the company**

Bhagyanagar India Limited

**Balance as**  
**on 31.03.2025**      **Balance as**  
**on 31.03.2024**

**10,931.42**      **11,306.68**

**Total**

**10,931.42**      **11,306.68**

\*Unsecured Loan have been taken for business purpose, its an interest free loan and there is no specific repayment Schedule.

**14 (f) Loan from Director**

**Name of the Director**

Devendra Surana

**Balance as**  
**on 31.03.2025**      **Balance as**  
**on 31.03.2024**

**1,814.94**      **2,135.46**

**Total**

**1,814.94**      **2,135.46**

\*Unsecured Loan have been taken for business purpose at a mutually agreed rate of interest. There is no specific repayment Schedule.



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**  
**(All amounts are in Indian Rupees (lakhs))**

| 14 (g) <b>Loan from Associate Companies</b>  |                 | Balance as<br>on 31.03.2025 | Balance as<br>on 31.03.2024 |
|--|-----------------|-----------------------------|-----------------------------|
| <b>Name of the company</b>   |                 |                             |                             |
| SURANA TELECOM AND POWER LTD   |                 | 3,941.38                    | 1,339.13                    |
| SURANA INFOCOM PVT LTD   |                 | 1,659.36                    | 568.42                      |
| <b>Total</b>   |                 | <b>5,600.74</b>             | <b>1,907.56</b>             |
| *Unsecured Loan have been taken for business purpose at a mutually agreed rate of interest. There is no specific repayment Schedule. |                 |                             |                             |
| <b>15 Other non current Liabilities</b>  | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
| Security Deposit/Retention Money   |                 | 1,343.36                    | 1,343.36                    |
| <b>TOTAL</b>   |                 | <b>1,343.36</b>             | <b>1,343.36</b>             |
| <b>16 Deferred Tax Liability (net)</b>   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
| Deferred Tax Liability at the beginning of the year  |                 | 114.38                      | 82.58                       |
| Add: Deferred tax Liability for the year, on account of timing difference on account of Depreciation                                 |                 | 17.94                       | 31.80                       |
| <b>TOTAL</b>   |                 | <b>132.32</b>               | <b>114.38</b>               |
| <b>17 Current Borrowings</b>   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b> | <b>As at<br/>31.03.2024</b> |
| <b>Secured</b>   |                 |                             |                             |
| Cash Credit/ Working Capital Demand Loan   | 17(a)           | 14,346.56                   | 3,537.96                    |
| Export Packaging Credit  | 17(b)           | -                           | 1,000.00                    |
| Foreign Currency Demand Loan - SBI   | 17(a)           | 4,750.00                    | -                           |
| <b>SUB TOTAL (A)</b>   |                 | <b>19,096.56</b>            | <b>4,537.96</b>             |
| <b>Current Maturities on Long Term Debt</b>  |                 |                             |                             |
| (a) Guaranteed Emergency Credit Line - HDFC Bank   | 17 ( c)         | -                           | 161.79                      |
| (b) Term Loan - HSBC   | 17 ( d)         | 333.28                      | -                           |
| (c) HDFC Bank - Vehicle Loan   | 17(e)           | 51.43                       | 47.43                       |
| (d) Mercedes Benz Financial Services Private Limited - Vehicle Loan  | 17(f)           | 17.40                       | 15.99                       |
| <b>SUB TOTAL (B)</b>   |                 | <b>402.11</b>               | <b>225.21</b>               |
| <b>TOTAL</b>   |                 | <b>19,498.68</b>            | <b>4,763.17</b>             |

**Notes:**

- 17(a)** The Working Capital facilities (including foreign currency term loan) from SBI ICICI , HDFC and HSBC bank 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 Secured against current assets. Quarterly returns or statements of current assets filed by the Company with bank are in agreement with the books of accounts.
- 17(b)** The company has availed Export packing credit from ICICI Bank/HDFC Bank and the same has been repaid fully in financial year 2024-25
- 17 ( c) Guaranteed Emergency Credit Line - HDFC Bank**  
 Loan of Rs.540Lacs was sanctioned by way of Guaranteed Emergency Credit Line by HDFC Bank in the month of January 2022 which was repaid fully during the Financial Year 2024-25
- 17 ( d) Term Loan - HSBC Bank**  
 Term Loan of Rs.1000 lacs is sanctioned by HSBC Bank by way of Term Loan during Financial Year 2024-25. The Loan is repayable in 36 Monthly instalments starting from Sep,2024 .The Principal repayable during FY 2025-26 amounting to Rs.333.28 lacs is classified under Current Maturities of Long Term Debt-Note:17
- 17(e) Vehicle Loan - HDFC Bank**  
 The company availed a Car loan of Rs.253.62 lakhs from HDFC Bank during the FY 2022-23.The Loan is repayable in 60 Monthly instalments starting from January,2023 .The Principal repayable during FY 2025-26 amounting to Rs.51.43 lacs is classified under Current Maturities of Long Term Debt-Note:17
- 17(f) Vehicle Loan - Mercedes Benz Financial Services Pvt Limited**  
 The company availed a Car loan of Rs.84.64 lakhs from Mercedes Benz Financial Services Pvt Limited during the FY 2022-23.The Loan is repayable in 60 Monthly instalments starting from January,2023 .The Principal repayable during FY 2025-26 amounting to Rs.17.40 lacs is classified under Current Maturities of Long Term Debt-Note:17



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**  
**(All amounts are in Indian Rupees (lakhs))**

|           |   |                 |                                    |                                    |
|-----------|---|-----------------|------------------------------------|------------------------------------|
| <b>19</b> | <b>Current Tax Liability(Net)</b>                   | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b>        | <b>As at<br/>31.03.2024</b>        |
|           | (a) Provision for Taxes                             |                 | 383.25                             | 170.73                             |
|           | Less: Income tax Receivable                         |                 | 349.74                             | 143.41                             |
|           | <b>TOTAL</b>  |                 | <b>33.51</b>                       | <b>27.32</b>                       |
| <b>20</b> | <b>Other Current Liabilities</b>                    | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b>        | <b>As at<br/>31.03.2024</b>        |
|           | (a) Statutory Dues Payable                          |                 | 46.22                              | 62.24                              |
|           | (b) Advance from Customers                          |                 | 339.08                             | 193.64                             |
|           | <b>TOTAL</b>  |                 | <b>385.31</b>                      | <b>255.88</b>                      |
| <b>21</b> | <b>Short Term Provisions</b>                        | <b>Sub Note</b> | <b>As at<br/>31.03.2025</b>        | <b>As at<br/>31.03.2024</b>        |
|           | (a) Provision for employee benefits                 |                 | 13.00                              | 13.00                              |
|           | (b) Provision for Expenses                          |                 | 216.69                             | 146.52                             |
|           | <b>TOTAL</b>  |                 | <b>229.69</b>                      | <b>159.52</b>                      |
| <b>22</b> | <b>Revenue from Operations</b>                      | <b>Sub Note</b> | <b>For the Year<br/>31.03.2025</b> | <b>For the Year<br/>31.03.2024</b> |
|           | (a) Sale of Products                                |                 |                                    |                                    |
|           | Copper & Allied Products - Domestic                 |                 | 1,42,770.36                        | 65,298.44                          |
|           | Copper Products - Export                            |                 | 19,262.43                          | 20,647.22                          |
|           | <b>TOTAL SALES (NET OF TAXES)</b>                   |                 | <b>1,62,032.78</b>                 | <b>85,945.66</b>                   |
| <b>23</b> | <b>Other Income</b>                                 | <b>Sub Note</b> | <b>For the Year<br/>31.03.2025</b> | <b>For the Year<br/>31.03.2024</b> |
|           | (a) Interest on Fixed Deposits                      |                 | 3.44                               | 7.07                               |
|           | (b) Sundry Balances Written Back                    |                 | 8.18                               | 5.69                               |
|           | (c) Other Income                                    |                 | 17.21                              | -                                  |
|           | (d) Profit on sale of land                          |                 | 205.56                             | -                                  |
|           | (e) Foreign Exchange Fluctuation Difference Account |                 | -                                  | 12.85                              |
|           | <b>TOTAL</b>  |                 | <b>234.40</b>                      | <b>25.61</b>                       |
| <b>24</b> | <b>Cost of Materials Consumed</b>                   | <b>Sub Note</b> | <b>For the Year<br/>31.03.2025</b> | <b>For the Year<br/>31.03.2024</b> |
|           | Opening Material in Transit                         |                 | 770.22                             | 679.17                             |
|           | Opening Stock Raw Materials                         |                 | 4,290.63                           | 4,023.61                           |
|           | Add:Purchases (Net of GST)                          |                 | 1,58,121.91                        | 81,020.92                          |
|           | Less:Closing Stock Raw Materials                    |                 | 12,199.85                          | 4,290.63                           |
|           | Less:Closing Stock Material in Transit              |                 | 169.55                             | 770.22                             |
|           | <b>TOTAL</b>  |                 | <b>1,50,813.35</b>                 | <b>80,662.85</b>                   |
| <b>25</b> | <b>(Increase)/Decrease in Inventories</b>           |                 | <b>For the Year<br/>31.03.2025</b> | <b>For the Year<br/>31.03.2024</b> |
|           | Opening Stock WIP                                   |                 | 2,127.67                           | 624.44                             |
|           | Opening Stock Finished Goods                        |                 | 1,135.82                           | 270.78                             |
|           | Less: :Closing Stock WIP                            |                 | 2,194.53                           | 2,127.67                           |
|           | Less: Closing Stock Finished Goods                  |                 | 1,168.84                           | 1,135.82                           |
|           | <b>TOTAL</b>  |                 | <b>(99.87)</b>                     | <b>(2,368.27)</b>                  |



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**

(All amounts are in Indian Rupees (lakhs))

| 26 | Employee Benefits Expense                       | Sub<br>Note | For the Year<br>31.03.2025 | For the Year<br>31.03.2024 |
|----|---|-------------|----------------------------|----------------------------|
|    | (a) Salaries, Wages and Other Employee Benefits |             | 1,180.95                   | 829.92                     |
|    | (b) Contribution To Provident And Other Funds   |             | 190.58                     | 47.83                      |
|    | <b>TOTAL</b>                                    |             | <b>1,371.53</b>            | <b>877.76</b>              |

During the year ended 31st March 2025, the company has paid an amount of INR 238.95 lacs (P.Y 202.24 lacs) as remuneration to Key Managerial personnel.

| 27 | Finance costs                               | Sub<br>Note | For the Year<br>31.03.2025 | For the Year<br>31.03.2024 |
|----|---|-------------|----------------------------|----------------------------|
|    | (a) Interest Expense                        |             |                            |                            |
|    | - Cash Credit & Others                      |             | 1,160.04                   | 464.17                     |
|    | - On Unsecured Loan                         |             | 289.87                     | 340.74                     |
|    | - Term Loan -HSBC Bank                      |             | 74.69                      | 34.74                      |
|    | - General Emergency Credit Line - HDFC Bank |             | 39.43                      | 59.11                      |
|    | (b) Financial Charges                       |             | 110.14                     | 68.94                      |
|    | <b>TOTAL</b>                                |             | <b>1,674.18</b>            | <b>967.69</b>              |

| 28 | Other expenses                                  | Sub<br>Note | For the Year<br>31.03.2025 | For the Year<br>31.03.2024 |
|----|---|-------------|----------------------------|----------------------------|
|    | Consumption Of Stores And Spare Parts           |             | 1,053.26                   | 564.49                     |
|    | Processing and Conversion charges               |             | 54.88                      | 76.50                      |
|    | Power And Fuel                                  |             | 3,172.07                   | 2,366.84                   |
|    | Repairs   |             |                            |                            |
|    | Buildings                                       |             | 53.41                      | 67.32                      |
|    | Machinery                                       |             | 726.65                     | 754.52                     |
|    | Others  |             | 31.40                      | 34.01                      |
|    | CSR Expense                                     |             | 20.50                      | 15.00                      |
|    | Insurance                                       |             | 61.12                      | 57.20                      |
|    | Rent  |             | 85.12                      | 23.22                      |
|    | Rates And Taxes                                 |             | 21.97                      | 9.51                       |
|    | Watch & Ward                                    |             | 120.91                     | 108.20                     |
|    | Packing And Forwarding                          |             | 650.82                     | 349.33                     |
|    | Travelling & Conveyance                         |             | 75.91                      | 47.35                      |
|    | Foreign Exchange Fluctuation Difference Account |             | 60.30                      | -                          |
|    | Other Miscellaneous Expenses                    |             | 187.84                     | 104.54                     |
|    | Payments To The Auditor<br>for Statutory Audit  |             | 2.00                       | 2.00                       |
|    | <b>TOTAL</b>                                    |             | <b>6,378.17</b>            | <b>4,580.02</b>            |

| Other Miscellaneous Expense        | As at<br>31.03.2025 | For the Year<br>31.03.2024 |
|------------------------------------|---------------------|----------------------------|
| Post.Tel & Telephone               | 8.97                | 2.81                       |
| Legal & Licence Fees               | 3.87                | 2.05                       |
| Advertisement And Sales Promotion  | 21.99               | 7.43                       |
| Professional Charges               | 36.72               | 7.78                       |
| Sundry Balances Written Off        | -                   | 17.56                      |
| Goodwill on Slump Sale Written Off | -                   | 2.94                       |
| Office Maintenance                 | 3.05                | 3.70                       |
| Testing Charges                    | 6.24                | 1.40                       |
| Membership & Subscription          | 17.47               | 7.90                       |
| Other Expenses                     | 7.13                | 3.51                       |
| Printing & Stationery              | 15.70               | 4.59                       |
| Filing Fees                        | 0.10                | 9.17                       |
| Commission                         | 58.07               | 32.13                      |
| Water Charges                      | 8.54                | 1.54                       |
| <b>TOTAL</b>                       | <b>187.84</b>       | <b>104.54</b>              |



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025**

(All amounts are in Indian Rupees (lakhs))

| Trade Receivables                             | Sub Note | As at 31.03.2025 | As at 31.03.2024 |
|---|----------|------------------|------------------|
| Considered good – Unsecured*                  |          |                  |                  |
| Undisputed trade receivables considered good  |          | 14,503.19        | 9,653.70         |
| Undisputed trade receivables -credit impaired |          | -                | -                |
| Less: Allowance for expected credit losses    |          | -                | -                |
| <b>TOTAL</b>                                  |          | <b>14,503.19</b> | <b>9,653.70</b>  |

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**Trade receivables ageing schedule**

| Outstanding for following periods from due date of payment as on Balance sheet |                                     |             |                   |                  |
|--|-------------------------------------|-------------|-------------------|------------------|
| As at 31.03.2025   | date                                |             |                   |                  |
| Particulars  | Less than 6 months to 11 to 2 years | 2-3 Years   | More than 3 years | Total            |
| Undisputed trade receivables considered good                                   | 14,475.80                           | 4.92        | 3.04              | 14,503.19        |
| Credit impaired  | -                                   | -           | -                 | -                |
| Less: Allowance for expected credit losses                                     | -                                   | -           | -                 | -                |
| <b>Balance as at year end</b>  | <b>14,475.80</b>                    | <b>4.92</b> | <b>3.04</b>       | <b>14,503.19</b> |

| Outstanding for following periods from due date of payment as on Balance sheet |                              |              |           |                   |
|--|------------------------------|--------------|-----------|-------------------|
| As at 31.03.2024   | date                         |              |           |                   |
| Particulars  | Less than 6 months to 1 year | 1 to 2 years | 2-3 Years | More than 3 years |

|  |                 |              |             |          |                 |
|--|-----------------|--------------|-------------|----------|-----------------|
| Undisputed trade receivables considered good | 9,627.61        | 23.04        | 3.04        | -        | 9,653.70        |
| Credit impaired                              | -               | -            | -           | -        | -               |
| Less: Allowance for expected credit losses   | -               | -            | -           | -        | -               |
| <b>Balance as at year end</b>                | <b>9,627.61</b> | <b>23.04</b> | <b>3.04</b> | <b>-</b> | <b>9,653.70</b> |

- a. There are no disputed trade receivables in the current and previous year.  
b. All the Trade Receivables are Unsecured  
c. Trade receivables are generally with the credit term of 30 to 90 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 17(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 except as mentioned below

| Name of Company                       | Balance as on 31.03.2025 | Balance as on 31.03.2024 |
|---------------------------------------|--------------------------|--------------------------|
| Bhagyanagar Magnisium Private Limited | 9.68                     | -                        |
| <b>Total</b>                          | <b>9.68</b>              | <b>-</b>                 |



**BHAGYANAGAR COPPER PRIVATE LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2025**

(All amounts are in Indian Rupees (lakhs))

| Trade Payables   | Sub Note | As at 31.03.2025 | As at 31.03.2024 |
|--|----------|------------------|------------------|
| <b>Unsecured</b>   |          |                  |                  |
| - Total Outstanding dues of Micro and Small Enterprises                      |          | 17.61            | 45.08            |
| - Total Outstanding dues of Creditors Other than Micro and Small Enterprises |          | 1630.14          | 2043.61          |
| <b>TOTAL</b>   |          | <b>1647.76</b>   | <b>2088.69</b>   |

**Trade payable ageing schedule**

| <b>Outstanding for following periods from due date of payment</b>            |                    |                 |                 |                    |                 |
|--|--------------------|-----------------|-----------------|--------------------|-----------------|
| <b>As at March 31, 2025</b>  | <b>&gt; 1 year</b> | <b>1-2 year</b> | <b>2-3 year</b> | <b>&lt; 3 Year</b> | <b>Total</b>    |
| <b>Undisputed Outstanding Dues</b>   |                    |                 |                 |                    |                 |
| - Total Outstanding dues of Micro and Small Enterprises                      | 17.61              | -               | -               | -                  | 17.61           |
| - Total Outstanding dues of Creditors Other than Micro and Small Enterprises | 1,630.14           | -               | -               | -                  | 1,630.14        |
| <b>TOTALS</b>  | <b>1,647.76</b>    | <b>-</b>        | <b>-</b>        | <b>-</b>           | <b>1,647.76</b> |

| <b>Outstanding for following periods from due date of payment</b>            |                    |                 |                 |                    |                 |
|--|--------------------|-----------------|-----------------|--------------------|-----------------|
| <b>As at March 31, 2024</b>  | <b>&gt; 1 year</b> | <b>1-2 year</b> | <b>2-3 year</b> | <b>&lt; 3 Year</b> | <b>Total</b>    |
| <b>Undisputed Outstanding Dues</b>   |                    |                 |                 |                    |                 |
| - Total Outstanding dues of Micro and Small Enterprises                      | 45.08              | -               | -               | -                  | 45.08           |
| - Total Outstanding dues of Creditors Other than Micro and Small Enterprises | 2,043.61           | -               | -               | -                  | 2,043.61        |
| <b>TOTALS</b>  | <b>2,088.69</b>    | <b>-</b>        | <b>-</b>        | <b>-</b>           | <b>2,088.69</b> |

- 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.  
d. 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:**

| Name of Company                      | Balance as on 31.03.2025 | Balance as on 31.03.2024 |
|--------------------------------------|--------------------------|--------------------------|
| Surana Solar Systems Private Limited | 2.30                     | 4.68                     |
| <b>Total</b>                         | <b>2.30</b>              | <b>4.68</b>              |



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2025 NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES

### 1. CORPORATE OVERVIEW:

Bhagyanagar Copper Pvt Ltd ("the company") is a Company registered under the companies act, 1956. It was incorporated on 30-04-2008 having its registered office at Sy No 98 to 105,107,111,230,231,232,234 Shabashpally Village, Shivampet, Mandal, Medak- 502334. Bhagyanagar India Limited on 6th February 2018 acquired 100% shareholding of the company. It proposes to engage in the manufacture of copper products. The company's CIN is U27100TG2008PTC125034. It is the wholly own subsidiary company of Bhagyanagar India Limited, which is listed on the stock exchange. The financial statements of the Company have been approved by the Board of Directors in their meeting held on May 5, 2025.

### 2. BASIS OF PREPARATION:

#### a) Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (amended), guidelines issued by the Securities and Exchange Board of India (SEBI), and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statement, other relevant provisions of the Act and other accounting principles generally accepted in India.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### b) Basis of Measurement

The financial statements of the Company have been prepared on historical cost basis except for the following assets and liabilities which have been measured at fair value:

- i. Certain financial assets & liabilities (including derivative instruments)
- ii. Defined Benefit Plans as per actuarial valuation
- iii. Share based Payments

#### c) Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest lakhs as per the requirements of Schedule III, unless otherwise stated.

### 3. Use of Assumptions, Judgments and Estimates

The key assumption, judgment and estimation at the reporting date, that have significant risk causing the material adjustment to the carrying amounts of assets and liabilities within the next financial year, are describe below. The company based its assumption, judgment and estimation on



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.) NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

parameters available on the financial statements were prepared. Existing circumstances and assumption about future development, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumption when they occur.

### i) Revenue

The application of revenue recognition accounting standards is complex and involves a number of key judgements and estimates. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time.

### ii) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

An impairment loss is recognized as an expense in the statement of profit and loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

### iii) Defined benefit plans

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

### iv) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

## v) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## vi) Share-based payments

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognized, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense. No expense is recognized for awards that do not ultimately vest because service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## vii) Recognition of Deferred Tax Assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.

### viii) Classification of Leases

The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

### ix) Restoration, rehabilitation and decommissioning

Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.

### x) Provisions and Contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

### d) Classification of Assets and Liabilities into Current/Non-Current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013, as given below.

The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- i) Expected to be realized or intended to sold or consumed in normal operating cycle;
- ii) Held primarily for the purpose of trading;
- iii) Expected to be realized within twelve months after the reporting period; or
- iv) 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 the other assets are classified as non-current.

Similarly, a liability is current if:

- i) It is expected to be settled in normal operating cycle;
- ii) It is held primarily for the purpose of trading;
- iii) It is due to be settled within twelve months after the reporting period; or



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

iv) 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.

Deferred Tax Assets and Liabilities are classified as current assets and liabilities respectively.

### 4. SIGNIFICANT ACCOUNTING POLICIES:

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements, unless otherwise stated.

#### 1) Inventories

##### a) Raw materials:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis.

##### b) Work-in- progress (WIP) and finished goods

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

##### c) Waste / Scrap

Waste / Scrap inventory is valued at NRV. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

However, materials and other supplies held for use in the production of inventories (finished goods, work-in-progress) are not written down below the cost if the finished products in which they will be used are expected to sell at or below the cost.

Materials in transit are valued at cost to date.

##### d) Stores, spares and consumables

Stores spares, packing material and all consumables items held for use in the production of inventories are charged to profit & loss account as and when purchased.

Provision is recognized for damaged, defective or obsolete stocks where necessary.



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

### 2) Cash and Cash Equivalents

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

### 3) Cash Flows

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

### 4) Income Tax

Income Tax comprises current and deferred tax.

#### a) Current Tax

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961. Current income tax is recognized in the statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

#### b) Deferred Tax

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the statement of profit and loss.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable.

MAT Credit is recognized 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 Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the ICAI, the said asset is created by way of credit to 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



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entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### 5) Property, Plant and Equipment

#### a) Recognition and Measurement

- i) Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any).
- ii) Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting any trade discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.
- iii) In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.
- iv) For transition to IND AS, the company has revalued land at fair value as deemed cost and considered other assets at Ind AS Cost.
- v) Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of profit and loss.
- vi) Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment a replacement if the recognition criteria are satisfied. Any Unamortized part of the previously recognized expenses of similar nature is derecognized.
- vii) 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.
- viii) The Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.
- ix) Research and development costs that are in nature of tangible/ intangible assets and are expected to generate probable future economic benefits are capitalized and classified under



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tangible/intangible assets and depreciated on the same basis as other fixed assets. Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred.

### b) Depreciation and Amortization

- i) Depreciation commences when the assets are ready for their intended use which is generally on commissioning. Depreciation on property, plant and equipment is provided under Straight Line Method over the useful lives of assets prescribed by Schedule II of the Companies Act, 2013. Depreciation in change in the value of fixed assets due to exchange rate fluctuation has been provided prospectively over the residual life of the respective assets. Land is not depreciated. The estimated useful lives of property plant and equipment of the company are as follows:

|                        |   |
|------------------------|---|
| Building               | 30-60 Years                                       |
| Leasehold Improvements | Shorter of lease period or estimated useful lives |
| Plant and Equipment    | 7-25 Years  |
| Furniture and Fixtures | 8-10 Years  |
| Vehicles               | 8-10 Years  |
| Office Equipments      | 5 Years   |

- ii) Depreciation in respect of property, plant and equipment added / disposed off during the year is provided on pro-rata basis, with reference to the date of addition/disposal.

### 6) Intangible Assets

- i) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any.
- ii) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss.
- iii) Intangible assets are amortised on straight line basis over its estimated useful life of 5 years.

### 7) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.



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Recoverable amount is the higher of fair value less costs to sell and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

### 8) Capital Work in Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

### 9) Investment in Joint-Venture

Investment in Joint-venture is measured at cost less impairment loss, if any.

The joint arrangement is structured through a separate vehicle and the legal form of the separate vehicle, the terms of the contractual arrangement and, when relevant, any other facts and circumstances gives the Company rights to the net assets of the arrangement (i.e. the arrangement is a joint venture). The activities of the joint venture are primarily aimed to provide the third parties with an output and the parties to the joint venture will not have rights to substantially all the economic benefits of the assets of the arrangement.

### 10) Investment in subsidiaries and associates

Investments in subsidiaries and associates are recognised at cost as per IND AS 27. Except where investments accounted for at cost shall be accounted for in accordance with IND AS 105, Non-current Assets held for Sale and Discontinued Operations, when they are classified as held for sale.

### 11) Leases

#### a) The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.



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Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### b) The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

### c) Lease Liability

The lease payments that are not paid at the commencement date are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the Balance Sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.



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•A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate.

### d) Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

The ROU assets are not presented as a separate line in the Balance Sheet but presented below similar owned assets as a separate line in the PPE note under "Notes forming part of the Financial Statement".

The Company applies Ind AS 36- Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as per its accounting policy on 'property, plant and equipment'.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components when bifurcation of the payments is not available between the two components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has used this practical expedient.

Extension and termination options are included in many of the leases. In determining the lease term, the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

### 12) Revenue Recognition

Revenue is amount receivable from sale of copper products, sale of energy, lease rental and export incentives, stated net of discounts.

Ind AS 115 "Revenue from Contracts with Customers", introduced one single new model for recognition of revenue which includes a 5-step approach and detailed guidelines. Among other, such guidelines are on allocation of revenue to performance obligations within multi-element arrangements, measurement and recognition of variable consideration and the timing of revenue recognition.



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The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the entity expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, included but not limited to discounts, volume rebates etc.

### a) Revenue from sale of goods

Revenue from the sale copper products is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Company recognizes revenue at a point in time, when control is transferred to the customer, and the consideration agreed is expected to be received. Control is generally deemed to be transferred upon delivery of the products in accordance with the agreed delivery plan.

In case of related party transactions where related party meets the definition of customer (i.e. a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activity in exchange for consideration) and the transactions are within the scope of the standard then the revenue is recognized based on the principles of IND AS 115.

Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.

Revenues for services are recognized when the service rendered has been completed.

### b) Revenue from services

Revenue from services mainly consists of the following;

#### • Income from Lease Rent

Revenue from services, which mainly consists of lease rentals from letting of space, is recognized over time on satisfying performance obligations as per the terms of agreement, that is, by reference to the period in which services are being rendered. Revenue from services, if any, involving single performance obligation is recognized at a point in time

#### • Income from job works

Income from job work is accounted for on the basis of actual quantity dispatched. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period. Advances received from the customers are reported as customer's deposits unless the above conditions for revenue recognition are met.

#### • Sale of energy

Revenue from operations comprises of sale of power. Revenue is recognized at an amount that reflects the consideration for which the Company expects to be entitled in exchange for transfer of power (goods / service) to the customer. Revenue from sale of power is accounted for in accordance with tariff provided in Power Purchase Agreement (PPA) read with the regulations of respective regulatory authorities and no significant uncertainty as to the measurability or collectability exist. There is no impact on the adoption of the standard in the financial statement as the Company's



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revenue primarily comprised of revenue from sale of power and the recognition criteria of this revenue stream is largely unchanged by Ind AS 115.

### Contract Assets

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Unbilled receivables where further subsequent performance obligation is pending are classified as contract assets when the company does not have unconditional right to receive cash as per contractual terms. Revenue recognition for fixed price development contracts is based on percentage of completion method. Invoicing to the clients is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed price development contracts is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

### Impairment of Contract asset

The Company assesses a contract asset for impairment in accordance with Ind AS 109. An impairment of a contract asset is measured, presented and disclosed on the same basis as a financial asset that is within the scope of Ind AS 109.

### Contract Liability

Contract Liability is recognized when there are billings in excess of revenues and it also includes consideration received from customers for whom the company has pending obligation to transfer goods or services.

The billing schedules agreed with customers include periodic performance based payments and / or milestone based progress payments. Invoices are payable within contractually agreed credit period.

### Modification in contract

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

### c) Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that assets' net carrying amount on initial recognition.



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## 13) Retirement and other employee benefits

### a) Short Term Employee Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

### b) Other Long Term Employee Benefits

The liabilities for earned leaves that are not expected to be settled wholly within twelve months are measured as the present value (determined by actuarial valuation using the projected unit credit method) of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period and recognized in books of accounts. The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Re-measurements as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

### c) Post-Employment Benefits

The Company operates the following post-employment schemes:

#### i) Defined Benefit Plan

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods.

The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method. The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Past service cost is recognized in the statement of profit and loss in the period of a plan amendment. The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognized in OCI is reflected immediately in retained earnings and will not be reclassified to statement of profit and loss.



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### ii) Defined Contribution Plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation other than the contribution payable to the Provident fund. Contribution payable under the provident fund is recognized as expenditure in the statement of profit and loss and/or carried to Construction work-in-progress when an employee renders the related service.

### 14) Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions.

- a) Government grants are recognized in the statement of profit or loss on a systematic basis over the periods in which the Company recognizes the related costs for which the grants are intended to compensate.
- b) Grants related to acquisition/ construction of property, plant and equipment are recognized as deferred revenue in the Balance Sheet and transferred to the statement of profit or loss on a systematic and rational basis over the useful lives of the related asset.

### 15) Foreign Currency Transactions

- a) The functional currency and presentation currency of the company is Indian Rupee (INR).
- b) Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each balance sheet date, foreign currency monetary items are reported using the closing rate.
- c) Non- monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange difference that arise on settlement of monetary items or on reporting of monetary items at each Balance sheet date at the closing spot rate are recognized in profit or loss in the period in which they arise except for:
  - i) exchange difference on foreign currency borrowings related to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings; and
  - ii) exchange differences on transactions entered into in order to hedge certain foreign currency risks.
  - iii) exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to the Statement of Profit and Loss on repayment of the monetary items.

According to Appendix B of Ind AS 21 "Foreign currency transactions and advance consideration",

purchase or sale transactions must be translated at the exchange rate prevailing on the date the asset or liability is initially recognized. In practice, this is usually the date on which the advance payment is paid or received. In the case of multiple advances, the exchange rate must be determined for each payment and collection transaction



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### 16) Borrowing Cost

Borrowing cost include interest expense calculated using the Effective interest method, finance charges in respect of assets acquired on finance lease and exchange difference arising on foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

Borrowing costs (including other ancillary borrowing cost) directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 17) Earnings per Share

Earnings per share is calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 18) Exceptional Item

Exceptional items include income or expense that are considered to be part of ordinary activities, however are of such significance and nature that separate disclosure enables the user of the financial statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

### 19) Financial Guarantee Contract

Financial guarantee contract provided to the lenders of the Company by its Parent Company is measured at their fair values and benefit of such financial guarantee is recognized to equity as a capital contribution from the parent.

### 20) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the



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acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

### a) Financial Assets

#### i) Classification and Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI)
- Measured at Fair Value Through Profit or Loss (FVTPL) and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

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

#### ➤ Measured at Amortized Cost

The Financial assets are subsequently measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognized in the statement of profit and loss.

#### ➤ Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

The financial assets are measured at the FVTOCI if both the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
- The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

#### ➤ Measured at Fair Value Through Profit or Loss (FVTPL)



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Financial assets are measured at fair value through profit or Loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Gains or losses arising on re-measurement are recognized in the statement of profit and loss. The net gains or loss recognized in statement of profit and loss incorporates any dividend or interest earned on the financial assets and is included in the "Other income" line item.

### ➤ Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

### ii) Derecognition

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### iii) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rate to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ELC to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ELC is used.

### iv) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency



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## NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

denominated financial assets measured at amortised cost, the exchange differences are recognized in the statement of profit and loss.

### b) Financial Liabilities and equity instruments

Debts and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instruments.

#### Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an equity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

#### Financial Liabilities

##### i) Recognition and Initial Measurement

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

##### ii) Subsequent Measurement

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

##### iii) Financial Guarantee Contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is -measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.



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### iv) De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### v) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are included in statement of profit and loss. The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

### vi) Offsetting financial instruments

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

### c) Derivative financial instruments

The Company uses derivative financial instruments such as forward, swap, options etc. to hedge against interest rate and foreign exchange rate risks, including foreign exchange fluctuation related to highly probable forecast sale. The realized gain / loss in respect of hedged foreign exchange contracts which has expired / unwinded during the year are recognized in the statement of profit and loss and included in other operating revenue / other expense as the case may be. However, in respect of foreign exchange forward contracts period of which extends beyond the balance sheet date, the fair value of outstanding derivative contracts is marked to market and resultant net loss/gain is accounted in the statement of profit and loss. Company does not hold derivative financial instruments for speculative purposes.

### d) Derivatives and Hedge Accounting

Derivatives are initially recognized at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognized in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item. The Company complies with the principles of hedge accounting where derivative contracts are designated as hedge instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedge instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which is a cash flow hedge.



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## e) Cash Flow Hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognized in the Statement of Profit and Loss. Amounts previously recognized and accumulated in other comprehensive income are reclassified to profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non- financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non- financial asset. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains /losses recognized in other comprehensive income and accumulated in equity at that time remain in equity and is reclassified when the underlying transaction is ultimately recognized. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognized immediately in the Statement of Profit and Loss.

## 21) Provisions, Contingent Liabilities and Contingent Assets

### a) Provisions

- i) Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

### ii) Decommissioning Liability

Restoration/ Rehabilitation/ Decommissioning cost are provided for in the accounting period when the obligation arises based on the NPV of the estimated future cost of restoration to be incurred. It includes the dismantling and demolition of infrastructure and removal of residual material. This provision is based on all regulatory requirements and related estimated cost based on best available information.

### iii) Onerous Contracts

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.



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## b) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## c) Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

## 22) Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the chief operating decision maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. All operating segment's operating results are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segments and assess their performance.

## 23) Employee Share based payment

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date. The fair value of option at the grant date is expensed over the vesting period with a corresponding increase in equity as "Employee Stock Options Account". In case of forfeiture of unvested option, portion of amount already expensed is reversed. In a situation where the vested option forfeited or expires unexercised, the related balance standing to the credit of the "Employee Stock Options Account" are transferred to the "General Reserve". When the options are exercised, the Company issues new equity shares of the Company of `1/- each fully paid-up. The proceeds received and the related balance standing to credit of the Employee Stock Options Account, are credited to share capital (nominal value) and Securities Premium Account.

## 24) Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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



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measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

### 25) Non-Current Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through as sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. On-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortized.

### 26) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

### 27) Research and Development

Expenditure on research is recognized as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognized as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalized and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.



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## Notes Forming part of Financial Statements

### 29) Related party transactions

#### a. List of Related Parties:

i. Holding Company: Bhagyanagar India Limited

#### Key Managerial Personnel & their relatives:

- (i) Narender Surana (Director till date 16<sup>th</sup> January, 2025) (ii) Devendra Surana  
(iii) Rakesh kumar Agarwal (Whole Time Director) (iv) N.V.Rao (Whole Time Director: Marketing)  
(v) Surendra Bhutoria (CFO) (vi) Manish Surana (vii) Nivriti Samkit Jain  
(viii) Advait Surana (ix) Namrata Surana (X) Mithali Surana  
(xi) Lalit Kumar Thanvi (CS – till 14.02.23) (xii) Ritika Tandon (CS - wef 03<sup>rd</sup> Feb 2025)

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

- (i) Surana Telecom and Power Limited (iv) Bhagyanagar Magnesium Pvt Ltd  
(ii) Surana Solar Limited (iii) Surana Infocom Private Limited.  
(iii) G.M. Surana Foundation Trust (iv) Shabashpally Chemicals Pvt Ltd  
(iv) Surana Solar Systems (P) Ltd (v) Bhagyanagar Ventures Pvt Ltd

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

Amount in Lacs (INR)

| Related Party                  | Nature of transaction                                    | 2024-25 | 2023-24  |
|--------------------------------|--|---------|----------|
| Bhagyanagar India Ltd          | Slump Sale Received                                      | -       | 6005.00  |
| Bhagyanagar India Ltd          | Allocation of staff cost Paid                            | 41.70   | 100.87   |
| Bhagyanagar India Ltd          | Lease Rent paid  | 60.00   | 15.00    |
| Bhagyanagar India Ltd          | Subscription of Optionally Convertible Preference Shares | -       | 1644.00  |
| Surana Solar System Pvt Ltd    | Purchase of Solar Power                                  | 26.60   | 15.49    |
| Surana Solar Ltd               | Purchase of Copper                                       | 59.34   | 50.81    |
| Surana Solar Ltd               | Sale of Copper   | 2979.14 | -        |
| Bhagyanagar Magnesium Pvt Ltd  | Sale Of Magnesium Alloy                                  | 204.65  | 16.48    |
| Shabashpally Chemicals Pvt Ltd | Job work Expense   | -       | 14.50    |
| Bhagyanagar India Ltd          | Purchase of copper                                       | -       | 1795.70  |
| Bhagyanagar India Ltd          | Sale of copper   | -       | 13742.91 |



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|                                |                    |        |         |
|--------------------------------|--------------------|--------|---------|
| Bhagyanagar India Ltd          | Job work income    | -      | 2714.92 |
| Bhagyanagar India Ltd          | Interest Expense   | -      | 162.83  |
| Surana Telecom & Power         | Interest Expense   | 101.84 | 87.02   |
| Surana Infocom Private Limited | Interest Expense   | 94.93  | 17.15   |
| Devendra Surana                | Interest Expense   | 93.10  | 73.74   |
| Rakesh Agarwal                 | Remuneration – WTD | 41.10  | 36.90   |
| N.V.Rao                        | Remuneration – WTD | 24.33  | 3.98    |
| Manish Surana                  | Salary             | 55.00  | 66.00   |
| Nivriti Samkit Jain            | Salary             | 25.60  | 24.00   |
| Namratha Surana                | Salary             | 28.92  | 7.43    |
| Advait Surana                  | Salary             | 50.00  | 51.93   |
| Mithali Surana                 | Salary             | 14.00  | 12.00   |
| Bhagyanagar Ventures Pvt Ltd   | Lease Rent Paid    | 8.22   | 8.22    |
| GM Surana Foundation Trust     | CSR Expense        | 7.90   | 2.34    |

**B. Balance outstanding with related parties are as follows:**

| Balance due from / (due) to parties | Nature of transaction   | 2024-25 | 2023-24 |
|-------------------------------------|-------------------------|---------|---------|
| Bhagyanagar Magnesium Pvt Ltd       | Advances from Customers | -       | 13.00   |
| Bhagyanagar Magnesium Pvt Ltd       | Trade Receivables       | 9.68    | -       |
| Surana Solar Systems Pvt Ltd        | Trade Payable           | 2.30    | 4.68    |

**C. Details of Loan taken and repaid with the related parties during the year:**

| Related Party                    | Nature of transaction   | 2024-25  | 2023-24  |
|----------------------------------|---|----------|----------|
| <b>BHAGYANAGAR INDIA LIMITED</b> | Opening Balance   | 11306.68 | 1312.86  |
|                                  | Loan taken/(repaid) during the year (net of amount received back) | (375.26) | 9993.82  |
|                                  | <b>Balance at the end of the Year (cr bal) *</b>                  | 10931.42 | 11306.68 |
|                                  | <b>Max bal a/s at any point of time during the year</b>           | 11607.79 | 11853.45 |



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|                        |   |                |                |
|------------------------|---|----------------|----------------|
| <b>Devendra Surana</b> | Opening Balance   | 2135.46        | 264.27         |
|                        | Loan taken  | 2108.49        | 4020.44        |
|                        | Repaid during the Year                                  | 2429.00        | 2149.25        |
|                        | Closing Balance   | 1814.94        | 2135.46        |
|                        | <b>Max bal a/s at any point of time during the year</b> | <b>2145.35</b> | <b>2558.10</b> |

|   |   |                |                |
|---|---|----------------|----------------|
| <b>Surana Telecom &amp; Power Limited</b> | Opening Balance   | 1339.13        | 1722.81        |
|   | Loan taken  | 3019.24        | 148.32         |
|   | Repaid during the Year                                  | 417.00         | 532.00         |
|   | Closing Balance   | 3941.38        | 1339.13        |
|   | <b>Max bal a/s at any point of time during the year</b> | <b>3941.38</b> | <b>1816.74</b> |

|                                       |   |                |                |
|---------------------------------------|---|----------------|----------------|
| <b>Surana Infocom Private Limited</b> | Opening Balance   | 568.42         | 123.03         |
|                                       | Loan taken  | 1097.94        | 2187.63        |
|                                       | Repaid during the Year                                  | 7.00           | 1742.23        |
|                                       | Closing Balance   | 1659.36        | 568.42         |
|                                       | <b>Max bal a/s at any point of time during the year</b> | <b>1659.36</b> | <b>1170.81</b> |

|                             |   |              |          |
|-----------------------------|---|--------------|----------|
| <b>Surana Solar Limited</b> | Opening Balance   | -            | -        |
|                             | Loan taken  | 34.23        | -        |
|                             | Repaid during the Year                                  | 34.23        | -        |
|                             | Closing Balance   | -            | -        |
|                             | <b>Max bal a/s at any point of time during the year</b> | <b>28.70</b> | <b>-</b> |

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

### 30) Disclosure required under Section 186(4) of the Companies Act 2013

In the opinion of Board of Directors and to the best of their knowledge and belief, the above disclosure pursuant to Securities Exchange Board of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013.

31) 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.



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32) The Company is primarily engaged 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 mainly operating in India which is considered as a single geographical segment.

33) Auditors' Remuneration includes:

Amount in Lacs (INR)

| Particulars                    | For the year ended 31 <sup>st</sup> March 2025 | For the year ended 31 <sup>st</sup> March 2024 |
|--------------------------------|--|--|
| <b>Statutory Auditors</b>      |  |  |
| Audit Fees                     | 2.00   | 2.00   |
| Certification & Other Services | -  | -  |
| <b>Total</b>                   | <b>2.00</b>                                    | <b>2.00</b>                                    |

34) TAX Expenses

Amount in Lacs (INR)

| Particulars                             | For the year ended 31 <sup>st</sup> March 2025 | For the year ended 31 <sup>st</sup> March 2024 |
|---|--|--|
| <b>Current Tax</b>                      |  |  |
| Current Tax Expense for the Year        | 383.25   | 170.72   |
| <b>Deferred Tax</b>                     |  |  |
| Deferred Tax Liability/(Asset)          | 17.94  | 31.79  |
| MAT Credit entitlement for current year | -  | 88.87  |
| <b>Total Income Tax Expense</b>         | <b>401.19</b>                                  | <b>291.39</b>                                  |

35) Reconciliation of estimated income tax expenses at Indian statutory income tax rates to income tax expenses reported in statement of profit and loss:

Amount in Lacs (INR)

| Particulars  | For the year ended 31 <sup>st</sup> March 2025 | For the year ended 31 <sup>st</sup> March 2024 |
|--|--|--|
| Income before taxes                                | 1,657.10                                       | 929.74   |
| Effective Tax Rate                                 | 23.13%   | 18.36%   |
| Estimated Income Tax Expense                       | <b>383.25</b>                                  | <b>170.72</b>                                  |
| Add: Effect of non-deductible expenses             | -  | -  |
| (Less):Effect of allowances for tax purpose        | -  | -  |
| Add/(Less): Effect of deferred tax                 | 17.94  | 31.79  |
| Add/(Less): Effect of MAT Credit                   | -  | 88.87  |
| <b>Tax Expense in Statement of Profit and Loss</b> | <b>401.19</b>                                  | <b>291.39</b>                                  |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

### 36) Net Debt Reconciliation

Amount in Lacs (INR)

| Particulars   | For the year ended<br>31 <sup>st</sup> March 2025 | For the year ended<br>31 <sup>st</sup> March 2024 |
|---|---|---|
| Opening Balances of Borrowings                                  | 15,918.76   | 4,156.02  |
| Add: Proceeds from Non Current Borrowings<br>(Net of Repayment) | 2,949.93  | 11,762.74   |
| Closing Balance of Borrowings                                   | <b>18,868.69</b>                                  | <b>15,918.76</b>                                  |

37) As per Section 135 of the Companies Act, 2015, a CSR committee has been formed by the company. The disclosure in respect of CSR Expenditure during the year as aligned with the CSR Policy of the Company which is in line with the activities specified in Schedule VII of the Companies Act, 2013 is as under:

Amount Lacs (INR)

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2025 | For the year ended<br>31 <sup>st</sup> March 2024 |
|--|---|---|
| Gross amount required to be spent by the Company during the year                           | 14.98   | 10.60   |
| Related Party Transaction as per Ind AS 24 in relation to CSR activities (Refer note: 28 ) |   |   |
| GM Surana Trust  | 7.90  | 2.34  |
| Gulabchand Surana Charitable Clinic  | 1.40  | -   |
| Others   | 5.68  | 8.51  |

Amount Lacs (INR)

| Particulars                                | Amount Paid                                    | Amount yet to be paid | Amount Paid                                    | Amount yet to be paid |
|--|--|-----------------------|--|-----------------------|
|  | For the year ended 31 <sup>st</sup> March 2025 |                       | For the year ended 31 <sup>st</sup> March 2024 |                       |
| (i) Construction/ acquisition of any asset | -  | -                     | -  | -                     |
| (ii) Purposes other than (i) above         | <b>14.98</b>                                   | -                     | <b>10.85</b>                                   | -                     |
| <b>TOTAL</b>                               | <b>14.98</b>                                   | -                     | <b>10.85</b>                                   | -                     |

|  |  |  |
|--|--|--|
| Nature of CSR activities undertaken by the company | <b>1. "Rural Development" - "Integrated Village Development (IVD) Project"</b><br><b>2. "Promoting Healthcare including preventive health care – Health Project"</b> | <b>1. "Rural Development" - "Integrated Village Development (IVD) Project"</b> 2. "Promoting Healthcare including preventive health care – Health Project<br><b>3. Promoting Education</b><br><b>4. Environmental Sustainability</b><br><b>5. Animal Welfare</b> |
|--|--|--|



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NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

| CSR Movement   | Amount Lacs (INR)                              |  |
|--|--|--|
|  | For the year ended 31 <sup>st</sup> March 2025 | For the year ended 31 <sup>st</sup> March 2024 |
| Particulars  |  |  |
| Opening Balance  | -  | -  |
| Gross amount required to be spent by the Company during the year | 14.98  | 10.60  |
| Actual Spent   | 14.98  | 10.85  |
| (Excess)/Short Spent   | -  | (0.25)   |

38) The information regarding amounts due to creditors registered under the Micro, Small and Medium Enterprises Development Act, 2006, has been given to the extent available with the Company based on the intimation received from the suppliers regarding their status under the Act. The required disclosures of outstanding dues of micro, small & medium enterprises are as under:

| Sl No | Particulars   | Amount Lacs (INR)                              |  |
|-------|---|--|--|
|       |   | For the year ended 31 <sup>st</sup> March 2025 | For the year ended 31 <sup>st</sup> March 2024 |
| a)    | Principal amount remaining unpaid but not due as at 31st March  | 17.61  | 45.08  |
| b)    | Interest amount remaining unpaid as at 31st March   | -  | -  |
| c)    | Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.   | -  | -  |
| d)    | Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | -  | -  |
| e)    | Interest accrued and remaining unpaid as at 31st March  | -  | -  |
| f)    | Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.   | -  | -  |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

39) Earnings Per Share (EPS) Amount Lacs (INR)

| Particulars   | 2024-25     | 2023-24     |
|---|-------------|-------------|
| Net Profit after Tax  | 1255.90     | 638.34      |
| Net Profit after Tax available for equity share holders - For Basic and Diluted EPS | 1255.90     | 638.34      |
| 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 |



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

|                                   |      |      |
|-----------------------------------|------|------|
| Nominal Value of Equity Shares    | 2.00 | 2.00 |
| Basic Earnings Per Equity Share   | 6.28 | 3.19 |
| Diluted Earnings Per Equity Share | 6.28 | 3.19 |

## 40) Contingent Liabilities and Commitments (to the extent not provided for)

(A) Amount Lacs (INR)

| Particulars                                 | As at 31-03-2025 | As at 31-03-2024 |
|---|------------------|------------------|
| Contingent Liabilities – Electricity Demand | 154.65           | 154.65           |
| Guarantees issued by the Bank               | 388.50           | 150.00           |

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 contested and has been stayed by the Honorable High Court of Telangana.

(B) Income tax assessment of the company, "Bhagyanagar Copper Private Limited" for the assessment year 2021-22 was completed on December 30, 2022, and the department has raised a demand for Rs. 6622.17 Lakhs on some unreasonable grounds. The company has appealed against it to the Commissioner of the Income Tax (Appeals) and a petition for stay of demand has also been filed before the Principal of Commissioner of Income Tax. The company has been advised by the legal experts that it has a strong/ solid case, and hence, no provision has been made in the books of accounts.

(C) The company has received a GST demand order of Rs.10335.12 lakhs (including penalty of INR 5168.06 lakhs) from the office of the Additional Commissioner of Central tax, Secunderabad, Hyderabad under the Central Goods and Service Tax, 2017 on the contention that the company has availed inadmissible ITC. Based on the assessment of facts and prevailing law, the company is of the view that the demand order levied is arbitrary and unjustified, however, the company has already deposited an amount of Rs.800 lakhs with GST Department under protest which has been shown in these financial statements under the head "Current Assets". The Company has filed an appeal before the appropriate appellate authorities. Further, as per the management decision based on legal experts opinion there is fair chance of succeeding in the matter and hence the provision of the same has not been accounted in the books of accounts.

## 41) Retirement and Other Employees Benefits

The Company's employee benefits primarily cover provident fund, gratuity and leave encashment. Provident fund is a defined contribution scheme and the company has no further obligation beyond the contribution made to the fund. Contributions are charged to the Profit & Loss account in the year in which they accrue. Gratuity liability is a defined benefit obligation and is based on the actuarial valuation done. The gratuity liability and the net periodic gratuity cost is actually determined after considering discounting rates, expected long term return on plan assets and increase in compensation level. All actuarial gain/ losses are immediately charged to the Profit & Loss account and are not deferred.



# BHAGYANAGAR COPPER PRIVATE LIMITED

CIN: U27100TG2008PTC125034

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

| <b>A Expenses recognized in the Profit &amp; Loss Account</b>                         |   |               |               |
|---|---|---------------|---------------|
|   | Particulars   | Gratuity      |               |
|   |   | 2024-25       | 2023-24       |
|   | Current service cost                                      | 9.58          | 5.47          |
|   | Interest cost   | 13.50         | 2.43          |
|   | Expected Return on Planned Assets                         | 12.97         | (4.04)        |
|   | Net Actuarial Loss/ (Gain) recognized in the year         | 56.53         | 145.85        |
|   | Expenses recognized in Statement of Profit & Loss         | <b>69.50</b>  | <b>149.71</b> |
| <b>B Change in Present value of obligation during the year ended 31st March, 2025</b> |   |               |               |
|   | Particulars   | Gratuity      |               |
|   |   | 2024-25       | 2023-24       |
|   | Present Value of obligation as at beginning of the year   | 186.21        | 33.57         |
|   | Interest Cost   | 13.50         | 2.43          |
|   | Current Service Cost                                      | 9.58          | 5.47          |
|   | Benefits Paid-Actuals                                     | (70.54)       | (1.12)        |
|   | Actuarial (Gain)/ Loss on Obligations                     | 53.41         | 145.85        |
|   | Present Value of obligation as at end of the year         | <b>192.16</b> | <b>186.21</b> |
| <b>C Change in fair value of Plan Assets during the year ended 31st March, 2025</b>   |   |               |               |
|   | Particulars   | Gratuity      |               |
|   |   | 2024-25       | 2023-24       |
|   | Fair value of Plan Assets as at the beginning of the year | 184.83        | 22.48         |
|   | Expected Return on Plan Assets                            | 12.97         | 4.04          |
|   | Contributions   | 16.91         | 159.42        |
|   | Benefits Paid   | (70.54)       | (1.12)        |
|   | Fair value of Plan Assets as at the end of the year       | <b>144.17</b> | <b>184.83</b> |
| <b>D Actuarial Gain/ loss recognized</b>  |   |               |               |
|   | Particulars   | Gratuity      |               |
|   |   | 2024-25       | 2023-24       |
|   | Actuarial (Gain) / Loss for the year –Obligation          | 56.53         | (145.85)      |
|   | Total Loss for the Year                                   | 56.53         | 145.85        |
|   | Actuarial (Gain) / Loss recognized in the year            | <b>56.53</b>  | <b>145.85</b> |
| <b>E Actuarial assumption</b>   |   |               |               |
|   | Particulars   | Gratuity      |               |
|   |   | 2024-25       | 2023-24       |
|   | Discount rate used  | 7.25%         | 7.25%         |
|   | Salary escalation   | 4.00%         | 4.00%         |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

## 42) Sales (Net) during the year: Amount in Lacs (INR)

| Sl.No. | Particulars      | 2024-25         |                    | 2023-24         |                    |
|--------|------------------|-----------------|--------------------|-----------------|--------------------|
|        |                  | Qty(MTs)        | Amount (Rs.in Lac) | Qty(MTs)        | Amount (Rs.in Lac) |
| i      | Copper           | 18339.87        | 126030.70          | 10893.58        | 71,529.35          |
| ii     | By-Products      | -               | 35626.37           | -               | 11,933.22          |
| iii    | Job Work Charges | 1522.79         | 375.82             | 7077.70         | 2,483.09           |
|        | <b>TOTAL</b>     | <b>19862.66</b> | <b>162032.89</b>   | <b>17971.28</b> | <b>85,945.66</b>   |

## 43) Raw material consumed during the year: Amount in Lacs (INR)

| Sl.No. | Particulars         | 2024-25          | 2023-24         |
|--------|---------------------|------------------|-----------------|
| i      | Copper/Copper Scrap | 148769.48        | 75839.35        |
| ii     | Others              | 2043.87          | 4823.50         |
|        | <b>TOTAL</b>        | <b>150813.35</b> | <b>80662.85</b> |

## 44) Details of imported and indigenous raw materials, spares and packing materials consumed: Amount in Lacs (INR)

| Particulars  | 2024-25           |                        | 2023-24         |                        |
|--|-------------------|------------------------|-----------------|------------------------|
|  | Value             | % of Total Consumption | Value           | % of Total Consumption |
| Raw materials & Components                           |                   |                        |                 |                        |
| (a) Imported   | 100,004.31        | 66.31%                 | 59384.00        | 73.62                  |
| (b) Indigenous                                       | 50,809.04         | 33.69%                 | 21278.85        | 26.37                  |
| <b>TOTAL</b>   | <b>150,813.35</b> | <b>100.00</b>          | <b>80662.85</b> | <b>100.00</b>          |
| Stores & Spare Parts (including consumed for repair) |                   |                        |                 |                        |
| (a) Imported   | 414.63            | 39.36                  | 184.06          | 32.61                  |
| (b) Indigenous                                       | 638.63            | 60.64                  | 380.43          | 67.39                  |
| <b>TOTAL</b>   | <b>1053.26</b>    | <b>100.00</b>          | <b>564.49</b>   | <b>100.00</b>          |

## 45) CIF Value of Imports Amount in Lacs (INR)

| Particulars     | 2024-25           | 2023-24         |
|-----------------|-------------------|-----------------|
| Raw material    | 100,004.31        | 57881.11        |
| Stores & Spares | 414.63            | 184.06          |
| <b>Total</b>    | <b>100,418.94</b> | <b>58065.17</b> |

## 46) Earning in Foreign Currency

| Particulars                       | 2024-25         | 2023-24         |
|-----------------------------------|-----------------|-----------------|
| FOB value of Export sale of goods | 19262.42        | 20647.22        |
| <b>Total</b>                      | <b>19262.42</b> | <b>20647.22</b> |

47) Financial Instruments and Risk management: The fair value of financial assets and liabilities is included in the amount at which the instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.



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## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.) NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

The fair value of trade receivable, trade payable and other current financial assets and liabilities is considered to be equal to the carrying value amounts of these items due to their short-term nature. Where such items are non-current in nature the same has been classified as level 3 and fair value determine using discounted cash value basis.

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximates of fair values:

| Particulars                        | Carrying value              |                             | Fair value                  |                             |
|------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|                                    | 31 <sup>st</sup> March 2025 | 31 <sup>st</sup> March 2024 | 31 <sup>st</sup> March 2025 | 31 <sup>st</sup> March 2024 |
| Other Financial Assets             | 179.46                      | 187.79                      | 179.46                      | 187.79                      |
| <b>Total Financial Assets</b>      | <b>179.46</b>               | <b>187.79</b>               | <b>179.46</b>               | <b>187.79</b>               |
| Borrowings                         | 18868.69                    | 15918.76                    | 18868.69                    | 15918.76                    |
| Other Non-Current Liabilities      | 1343.36                     | 1343.36                     | 1343.36                     | 1343.36                     |
| <b>Total Financial Liabilities</b> | <b>20212.07</b>             | <b>17262.13</b>             | <b>20212.07</b>             | <b>17262.13</b>             |

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the 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 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

#### 48) Financial risk management objectives and policies

The Company's principal financial liabilities other than derivatives comprise long-term and short-term borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets other than derivatives include trade and other receivables, cash and cash equivalents and deposits that derive directly from its operation.

The Company is exposed to market, credit, liquidity and regulatory risks. The Company does not have any foreign Currency Liabilities; therefore, the exchange fluctuation risk is negligible. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below:

- 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 three types of risk: commodity risk, interest rate risk and foreign currency risk.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

**(i) Commodity Price Risk**

The principal commodity of the company, which is copper, is fully hedged, insulating it from any price risk.

**(ii) Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rate relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Further, the Company has foreign currency risk on import of input materials, capital commitment and also borrow funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies, for the remaining exposures to foreign exchange risks, the Company adopts a policy of selective hedging based on risk perception of management using derivative, whenever required, to mitigate or eliminate the risks.

**(iii) Interest Rate risk**

The Company is exposed to interest rate risk on financial liabilities such as borrowings, both short-term and long-term. It maintains a balance of fixed and floating interest rate borrowings and the proportion is determined by current market interest rates, projected debt servicing capability and view on future interest rates.

**B. Credit Risk**

Financial Asset of the Company include trade receivables, employee advances and bank deposits which represents Company's maximum exposure to the credit risk.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payment and other relevant factors. The Company's exposure to credit risk is influence mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associated with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. with respect to other financial risk Viz loan and advances , deposit with government, the credit risk is insignificant since the loans and advances are given to its employees only and deposits are held with reputable banks. The credit quality of the financial assets is satisfactory, taking into account the allowance for credit losses.

**C. Regulatory Risks**

The Company performance may be impacted due to change in Regulatory Environment. The Company is closely monitoring the regulatory developments and risks thereof and proactively implementing course correction for proper compliance commensurate with new regulatory requirements.

**D. 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



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

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

| Year Ended        | On Demand | 3 to 12 Months | 1 to 5 Years | Amount in Lacs (INR) |           |
|-------------------|-----------|----------------|--------------|----------------------|-----------|
|                   |           |                |              | >5 Years             | Total     |
| <b>31-Mar-25</b>  | -         | 19498.67       | 7937.27*     | -                    | 27,435.94 |
| <b>Borrowings</b> |           |                |              |                      |           |
| <b>31-Mar-24</b>  | -         | 4763.17        | 4612.08*     | -                    | 9375.25   |
| <b>Borrowings</b> |           |                |              |                      |           |

\*Excluding Loan from Holding Co.

## 49) 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 (Excluding Loans from Holding Co.), trade and other payables, less cash and cash equivalents

| Particulars   | Amount in Lacs (INR) |                 |
|---|----------------------|-----------------|
|   | 31-Mar-25            | 31-Mar-24       |
| Borrowings -Non-Current (Excluding Loan from Holding Co.) | 7937.27              | 4612.08         |
| Borrowings – Current                                      | 19498.67             | 4763.17         |
| Other Payables  | 4985.82              | 2531.41         |
| Less: Cash and Cash Equivalents                           | 557.21               | 274.91          |
| <b>Net Debt (A)</b>                                       | <b>32978.97</b>      | <b>11631.75</b> |
| Equity Share capital                                      | 2000.00              | 2000.00         |
| Preference Share capital                                  | 1000.00              | 1000.00         |
| Other Equity  | 3826.75              | 2570.85         |
| Quasi Equity (Loan from Holding Company)                  | 10931.43             | 11306.68        |
| <b>Total Capital (B)</b>                                  | <b>17758.18</b>      | <b>16876.68</b> |
| <b>Capital and Net debt (A+B)</b>                         | <b>50737.15</b>      | <b>28508.43</b> |
| <b>Gearing ratio (in %)</b>                               | <b>64.99</b>         | <b>40.80</b>    |

In order to achieve this overall objective, the Company's capital management, amongst other things including working capital management, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

## 50) Ratio analysis and its elements.

| Ratio   | Numerator  | Denominator  | March<br>31,2025 | March<br>31,2024 | %<br>Change | Reason<br>for<br>variance |
|---|--|--|------------------|------------------|-------------|---------------------------|
| Current Ratio                                       | Current Assets   | Current Liabilities  | 1.87             | 3.41             | (45.21)     | Note                      |
| Debt-Equity Ratio                                   | Long Term Debt   | Shareholder's<br>Equity+Quasi Equity.                                    | 0.03             | 0.03             | (12.89)     | Note                      |
| Debt Service<br>Coverage Ratio                      | Earning for debt<br>service = Net profit<br>before taxes + non-<br>cash operating<br>expenses + Finance<br>Costs | Debt service =<br>Interest & lease<br>payments + Principal<br>repayments | 1.97             | 2.20             | (10.32)     | Note                      |
| Return on Equity<br>ratio (%)                       | Net profit after taxes   | shareholder's<br>equity+Quasi Equity.                                    | 18.33            | 11.46            | 60.55       | Note                      |
| Inventory Turnover<br>Cycle(No.of days)             | Inventory  | Net Sales  | 40               | 35               | 14.10       | Note                      |
| Trade receivables<br>turnover<br>Cycle(No.of days ) | Trade Receivables  | Gross Sales  | 33               | 35               | (4.36)      | Note                      |
| Trade payables<br>turnover<br>Cycle(No.of days )    | Trade Payables   | Net Purchases  | 10               | 9                | 5.13        | Note                      |
| Net Capital<br>Turnover Ratio                       | Net sales = Total sales<br>- sales return  | Working Capital =<br>Current assets -<br>Current liabilities             | 7.64             | 4.89             | 56.01       | Note                      |
| Net Profit Ratio(%)                                 | Net profit after taxes   | Net Sales = Total sales<br>- Sales return                                | 0.78             | 0.74             | 4.36        | Note                      |
| Return on capital<br>employed(%)                    | Earnings before<br>interest, Depreciation<br>and taxes   | Capital employed =<br>Tangible Net Worth +<br>Long Term Debt             | 14.80            | 10.33            | 43.37       | Note                      |



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)  
NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

Note:

The ratios are not comparable due to the Slump Sale transaction which took place w.e.f. 01/01/2024 whereby the copper business of BIL, the Holding Company was transferred to this company.

## 51) Other Statutory Information

### A. RELATIONSHIP WITH STRUCK OFF COMPANIES

The company do not have any transactions with company's struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended 31st March, 2025 (Previous year: Nil)

### B. DISCLOSURE IN RELATION TO UNDISCLOSED INCOME

The company do not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year ended 31st March, 2025 and also for the year ended 31st March, 2024 in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### C. DETAILS OF BENAMI PROPERTY HELD

The Company do not hold any property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, hence there are no proceedings against the company for the year ended 31st March, 2025 and also for the year ended 31st March, 2024.

### D. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES (ROC)

The Company do not have any charges or satisfaction, which are yet to be registered with ROC beyond the statutory period, during the year ended 31st March, 2025 and also during the year ended 31st March, 2024.

### E. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The company have not traded or invested in crypto currency or virtual currency during the year ended 31st March, 2025 and also during the year ended 31st March, 2024.

### F. UTILISATION OF BORROWED FUND AND SHARE PREMIUM

The company have not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (intermediaries) with the understanding that the intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025 (CONTD.)

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES, JUDGEMENTS & KEY ESTIMATES (CONTD.)

G. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

52) In respect of Financial Year commencing on or after 01.04.2023, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been in operation throughout the year for all relevant transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been and has been preserved by the company as per the statutory requirements for record retention.

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

Following changes has been done in the comparative period (as at March 31, 2024) which is not material qualitatively and quantitatively to the Company's prior period financial statements.

(A) Re- classification in "Statement of Profit & Loss"

| Note No | Line item                        | Earlier Amount | Re-classified Amount | Net Changes | Reason   |
|---------|----------------------------------|----------------|----------------------|-------------|--|
| 24      | Cost of Raw Material Consumed    | 80753.90       | 80662.85             | 91.05       | for better presentation-                           |
|         | Increase/(Decrease) in Inventory | (2459.32)      | (2368.27)            | (91.05)     | reclassification of closing of material in Transit |

As per our report of even date attached

For Luharuka & Associates

Chartered Accountants,  
Firm Reg No.018825

Arun Luharuka  
Partner  
M. No. 021869

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

Devendra Surana  
Director  
DIN: 00077296

Rakesh Kumar Agarwal  
Director  
DIN: 01829157

Place: Secunderabad,  
Date : May 05, 2025

Surendra Bhutoria  
Chief Financial Officer

Ritika Tandon  
Company Secretary  
M. No.A32215

