

THE SUKHJIT STARCH & CHEMICALS LIMITED

ACCOUNTS OF THE SUBSIDIARY COMPANIES

SUKHJIT MEGA FOOD PARK & INFRA LIMITED (CIN : U45209PB2015PLC039547)
THE VIJOY STEEL & GENERAL MILLS CO. LTD. (CIN : U19113PB1945PLC001956)
SCOTT INDUSTRIES LIMITED (CIN : U18101PB1997PLC020568)

ANNUAL REPORT 2024-2025

Sukhjit Mega Food Park & Infra Limited, Phagwara

BOARD OF DIRECTORS

Sh. K.K. Sardana
Sh. Saravjit Singh Hothi
Sh. Sanjeev Kumar
Sh. Avtar Singh
Sh. Amit Kumar
Sh. Dhiraj Sardana
Sh. Bhavdeep Sardana

AUDITORS

M/s Manchanda & Co.
Chartered Accountants
Railway Road, Phagwara.

REGISTERED OFFICE

Sarai Road,
Phagwara-144 401.
Distt. Kapurthala (Pb.)

DIRECTORS' REPORT

Dear Share Holders:

Your Directors are pleased to present before you the 10th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2025 :

1. FINANCIAL PERFORMANCE

The Company has operationalised its project of the Mega Food Park in the state of Punjab in FY 2020-21 creating a State of Art Technology Infrastructure for setting up food processing units in the Mega Food Park. A good part of its assets have been leased out and operationalised. The Company has shown a turnaround during 2024-25 and expects to continue increasing/expanding its operations/revenues during the coming years.

2. DIVIDEND

The Board of Directors has not recommended any dividend for the financial year ended 31st March, 2025.

3. SHARE CAPITAL

There is no change in the Equity Share Capital during the year under reference.

4. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3c) of the Companies Act, 2013, the Directors state that:

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2025 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

5. DIRECTORS

- (a) Sh. Bhavdeep Sardana retires by rotation and being eligible, the Board recommends his appointment.
- (b) The Board has co-opted Sh. Saravjit Singh Hothi, Sh. Sanjeev Kumar and Sh. Avtar Singh as Independent Directors of the Company during the year under reference.

Sh. Saravjit Singh Hothi is graduated from National Defence Academy, Pune and commissioned as a fighter pilot from Air Force Academy, Hyderabad in the year 1969. Besides actively commanding flight mission during Siachen operations & commanding the Air base during Kargil operations, he had successfully led & coordinated Indo US Cooperation mission at US Defence HQS at Pentagon, US Central command HQS at Tampa Florida and US Pacific command HQS at Hawaii. He has also been on deputation with Egypt Air Force for training Egypt pilots. He has an excellent career during his coveted service, spanning about 30 years with Indian Air Force with excellent administrative & managerial skills in commanding / managing men & materials. He has been decorated twice by the President of India with prestigious medals like Vayu Sena Medal and Vishisht Sewa Medal.

Presently he is proprietor of MSP, Jalandhar and associated with 'The knowledge Academy' (UK based organisation) which provides training to the Corporate Professionals. He has also done a course on 'Independent Directors Studies for Senior Officers of Armed Forces'. He has vast administrative and commercial experience spanning over 50 years, to his credit.

Sh. Sanjeev Kumar did his B.E. (Electrical) & M.E. (Electrical) from Punjab University. He started his career with PSPCL as an Assistant Engineer and rose upto the position of Chief Engineer after serving for about 34 years in PSPCL in different wings like operation organisation, grid construction, hydel generation & transmission organisation. He has to his credit, an extensive experience of over 3 decades in technical, electrical, regulatory and commercial fields.

Sh. Avtar Singh did Diploma in Mechanical Engineering from A.M.I.A.E. He has worked in Defence Research Development Organisation, Hyderabad and in L & T before joining Punjab National Bank as Technical Officer in year 1979 and retired as Assistant General Manager / Deputy Circle Head in 2012. He has lifelong technical, managerial and commercial experience of over 30 years to his credit.

- (c) The tenure of Sh. Tarsem Singh Lally, Sh. Vikas Uppal and Sh. Ajit Singh as Independent Directors of the Company has expired on 21.10.2024 and they retired accordingly. The Board placed deep appreciation for the services rendered by them as member of the Board and committees thereof.
- (d) The Board has appointed Mr. Rakesh Chawla, Chartered Accountant as CFO of the Company as KMP under the provisions of The Companies Act, 2013 in place of the earlier CFO who shifted abroad and was unable to continue the services of the Company. Sh. Rakesh Chawla (aged 55 years) is a qualified Chartered Accountant. He is a profound professional having over 30 years of experience in Industry, handling varied management functions ranging from Finance, Commercial to Production & HRD. The Board found the credentials of Mr. Rakesh Chawla, proper for his appointment as CFO of the Company. He is also the CFO of the Company's Holding Company.
- (e) The Company has received declarations from them confirming that they meet the criteria of independence and comply with all the requirements prescribed under subsection (6) of Section 149 of the Companies Act, 2013.
- (f) Based on evaluation criteria laid down under the Nomination and Remuneration Policy of the Company, framed in accordance with the provisions of section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee rates the performance of the individual directors, board as a whole and its committees which, inter-alia, includes evaluation of leadership abilities, contribution to corporate objectives & plans, regular monitoring, effective decision making ability, attendance and contribution at Board and Committee meetings etc. The committee has in place a suitable policy for the appointment & remuneration of the Directors/KMPs. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

6. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency. The Company has implemented Audit trail on the books of accounts.

7. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company.

8. MEETINGS OF THE BOARD

During the Financial Year 2024-25, seven Board Meetings were held on 26.04.2024, 28.05.2024, 06.08.2024, 10.10.2024, 24.10.2024, 18.11.2024 & 11.02.2025.

Name of the Director	Category of Directorship	Number of Board Meetings Attended
Sh. K.K. Sardana	Managing Director	7
Sh. Dhiraj Sardana	Director	7
Sh. Bhavdeep Sardana	Director	6
Sh. Saravjit Singh Hothi (*)	Independent Director	2
Sh. Sanjeev Kumar (*)	Independent Director	2
Sh. Avtar Singh (*)	Independent Director	4
Sh. Amit Kumar	Nominee Director	2
Sh. Tarsem Singh Lally (**)	Independent Director	3
Sh. Vikas Uppal (**)	Independent Director	3
Sh. Ajit Singh (**)	Independent Director	2

(*) Sh. Saravjit Singh Hothi, Sh. Sanjeev Kumar and Sh. Avtar Singh have been appointed as Independent Directors of the Company w.e.f. 10.10.2024.

(**) Sh. Tarsem Singh Lally, Sh. Vikas Uppal and Sh. Ajit Singh completed their tenure as Independent Directors of the Company on 21.10.2024 and retired accordingly.

9. COMMITTEES OF THE BOARD

The Board has constituted Audit Committee of the Company with Sh. Saravjit Singh Hothi as Chairman and Sh. Sanjeev Kumar, Sh. Avtar Singh and Sh. K.K. Sardana as its members. All the recommendations made by the Audit Committee were accepted by the Board. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under section 177 of the Companies Act, 2013.

The details of meetings of Audit Committee held during the year are given below :

		Meetings held during the year	Meetings attended
Sh. Saravjit Singh Hothi	Independent Director	04	01
Sh. Sanjeev Kumar	Independent Director	04	01
Sh. Avtar Singh	Independent Director	04	01
Sh. K.K. Sardana	Managing Director	04	04
Sh. Tarsem Singh Lally	Independent Director	04	03
Sh. Vikas Uppal	Independent Director	04	02
Sh. Ajit Singh	Independent Director	04	02

Notes :

1. Sh. Saravjit Singh Hothi, Sh. Sanjeev Kumar and Sh. Avtar Singh have been appointed as Independent Directors of the Company w.e.f. 10.10.2024.
2. Sh. Tarsem Singh Lally, Sh. Vikas Uppal and Sh. Ajit Singh completed their tenure on 21.10.2024 and retired accordingly.

Sukhjit Mega Food Park & Infra Limited, Phagwara

The Board has also constituted Nomination & Remuneration Committee of the Company with Sh. Saravjit Singh Hothi as Chairman and Sh. Avtar Singh and Sh. K.K. Sardana as its members. All the recommendations made by the Nomination & Remuneration Committee were accepted by the Board. The role of the committee covers areas mentioned under section 178 of the Companies Act, 2013.

The details of meetings of Nomination & Remuneration Committee held during the year are given below :

		Meetings held during the year	Meetings attended
Sh. Saravjit Singh Hothi	Independent Director	06	01
Sh. Avtar Singh	Independent Director	06	03
Sh. K.K. Sardana	Managing Director	06	06
Sh. Vikas Uppal	Independent Director	06	03
Sh. Ajit Singh	Independent Director	06	03

Notes :

1. Sh. Saravjit Singh Hothi, Sh. Sanjeev Kumar and Sh. Avtar Singh have been appointed as Independent Directors of the Company w.e.f. 10.10.2024.
2. Sh. Tarsem Singh Lally, Sh. Vikas Uppal and Sh. Ajit Singh completed their tenure on 21.10.2024 and retired accordingly.

10. RISK MANAGEMENT POLICY

The company recognizes that the risk management and internal control are the key elements for sustainable working of an organization and good corporate governance. It has formulated the Risk Management Policy which describes the manner in which the company identifies, assesses, monitors and manages risks. The details of the policy are available at company's website.

11. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has neither given any loan / Guarantee nor made any Investment. However, it has given some securities to the Govt./other departments in the ordinary course of business.

12. ANNUAL RETURN

As required under the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, or the time being in force), the Annual Return is displayed on the website of the Company at <https://sukhjitmfp.com/>

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) Conservation of Energy :

(i) Steps taken or impact on conservation of energy/water resources :

- Installation of Energy efficient LED lights in its premises for energy conservation.
- Provision of day light installations at its workplaces.
- Providing facility for re-cycling and using the treated process water for the units inside Mega Food Park.
- Laying of pipeline for supplying treated water to the fields for irrigation.
- Rain water harvesting in its premises.

(ii) Steps taken by the company for utilizing alternate source of energy :

- The Company has installed Co-gen facility to generate steam & power from agricultural waste.
- The Company is also producing Bio fuel gas from the effluent waste for replacing the use of furnace oil/ coal and reducing carbon foot prints.

- (b) **Technical arrangements :** The company has not yet entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

(c) Foreign Exchange Earnings & Outgo	2024-2025	2023-2024
	(₹ lacs)	(₹ lacs)
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) Particulars of Employees: There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 1,02,00,000/- p.a. or ₹ 8,50,000/- p.m. if employed for a part of the year.

14. GENERAL DISCLOSURE

- (i) The Company has not accepted/ renewed any deposits during the year under reference.
- (ii) No shares have been issued with differential rights as to dividend, voting or otherwise.
- (iii) The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and the General Meetings.
- (iv) The last Annual General Meeting (AGM) of the Company was held on 17.08.2024 at Registered Office of the Company at Phagwara.
- (v) There is no significant and material order passed by any regulator, court, tribunal which may impact the going concern status of the Company and Company's operations in future.
- (vi) There is no change in the nature of company's business during the year under review.
- (vii) The Company does not have any Stock Option Scheme.
- (viii) There was no instance of fraud during the year under reference, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules made thereunder.
- (ix) The Board has constituted an Internal Committee for redressal of grievance / complaint (if any) under "Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013." The committee has not received any complaint during the year under reference.

15. AUDITORS AND AUDITOR'S REPORT

Statutory Auditors:

Pursuant to the provisions of section 139 and 142 of The Companies Act, 2013 and other applicable provisions, if any, of The Companies Act, 2013 or amendments or enactments thereof, M/s. Manchanda & Company, Chartered Accountants (FRN: 001678N) were appointed as Statutory Auditors in the Annual General Meeting held on 7th August, 2021 for a period of 5 years and their tenure expires on the conclusion of 11th Annual General Meeting of the Company to be held in the year 2026. They have confirmed their eligibility to be appointed/re-appointed as Statutory Auditors of the Company.

The Auditor's report does not have any qualification, reservation or adverse remark.

16. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the bankers, authorities, members and other business associates. They place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company for its success.

Yours truly,
For and on behalf of the Board,
Sd/-

K.K. Sardana
Managing Director

Place : Phagwara
Dated : 28th May, 2025

INDEPENDENT AUDITORS' REPORT

To

The Members of

Sukhjit Mega Food Park & Infra Limited,

Phagwara.

Report on the Audit of the Standalone Financial Statements

OPINION

- (a) We have audited the standalone financial statements of Sukhjit Mega Food Park & Infra Limited ('the Company'), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
- (b) In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, of profit, of cash flows and of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

RESPONSIBILITY OF MANAGEMENT FOR STANDALONE FINANCIAL STATEMENTS

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

misstatement, whether due to fraud or error.

- (b) 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.
- (c) Those Board of Directors is responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

- (a) 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.
- (b) As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:
 - i. 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.
 - ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv. 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 report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v. 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.
- (c) Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounting Standards) Rules, 2021.
- (e) On the basis of the 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 Companies Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- IV. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under h (iv) (a) and (b) above, contain any material misstatement.
- (d) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per statutory requirements applicable to the company.
- V. The company has neither declared nor paid any dividend during the year.

For MANCHANDA & COMPANY

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Place : Phagwara

Memb. No. 098558

Dated : 28th May, 2025

UDIN : 25098558BMJEIO8302

Annexure 'A' to the Independent Auditor's Report

Referred to in paragraph 1 of Part (II) under the heading of 'report on other legal and regulatory requirements' of our report of even date :

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets and has also maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which all assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The company has not revalued any Property, Plant and Equipment or intangible assets or both during the year.
- (e) No proceedings have been initiated or pending against the company for holding any benami property under Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rule made thereunder.
2. (a) The inventory has been physically verified by the management during the year. According to the information and explanations are given to us and as examined by us, the coverage and procedure of such verification is appropriate. No material discrepancies were noticed on such verification.
- (b) The company has been sanctioned working capital of ₹ 6 crore rupees from Yes Bank against security of all current assets. According to the information and explanations are given to us and as examined by us, the quarterly returns and statements filed by the company with such bank are in agreement with books of accounts of the company.
3. According to the information and explanation given to us, and based on the examination of company records, the Company has not made any investment in, provided any guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties during the year.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year.
6. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Companies Act, 2013 for any services rendered by the Company.
7. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, cess, GST and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, GST and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no unrecorded transaction in the books of accounts have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act 1961.

9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.
10. (a) The Company has not raised any money by way of an initial public offer or further public offer (including debt instruments).
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the companies act has been filed by the auditor in form ADT-4 as prescribed under rule 13 of companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
12. The Company is not a Nidhi Company.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. As explained to us, the company has not installed an internal audit system as the same is not mandated owing to the size of the company and the scales of its operations.
15. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him during the year.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. The company has not incurred any cash loss in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
19. According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of the audit report. The company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The provision of section 135 of the Companies Act, 2013 are not applicable to company.
21. The company is not required to declare any consolidated financial statements, hence the auditor is not required to report on the same.

For MANCHANDA & COMPANY

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Place : Phagwara

Dated : 28th May, 2025

Memb. No. 098558

UDIN : 25098558BMJEIO8302

Annexure 'B' to the Independent Auditor's Report

(Referred to in clause (f) in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sukhjit Mega Food Park & Infra Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Sukhjit Mega Food Park & Infra Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MANCHANDA & COMPANY

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Place : Phagwara

Dated : 28th May, 2025

Memb. No. 098558

UDIN : 25098558BMJEIO8302

Sukhjot Mega Food Park & Infra Limited, Phagwara

BALANCE SHEET AS ON 31ST MARCH, 2025

	NOTE	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
ASSETS			
1. NON CURRENT ASSETS			
(a) Property, Plant and Equipment	3	11,191.06	11,785.99
(b) Capital Work-in-progress	3	150.74	206.38
(c) Financial Assets			
(i) Others	4	93.89	82.30
(d) Deferred Tax Asset (Net)	2(d)	<u>224.87</u>	<u>280.09</u>
		11,660.56	12,354.76
2. CURRENT ASSETS			
(a) Inventories	5	1091.77	1,168.17
(b) Financial Assets			
(ii) Trade Receivables	6	0.90	0.93
(i) Cash & Cash Equivalents	7	26.23	14.44
(c) Other Current Assets	8	<u>176.24</u>	<u>291.20</u>
		1,295.14	1,474.74
Total Assets		<u>12,955.70</u>	<u>13,829.50</u>
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	9	3,391.03	3,391.03
(b) Other Equity	10	<u>(1,833.82)</u>	<u>(1,869.85)</u>
		1,557.20	1,521.18
2. LIABILITIES			
(A) NON CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	11	—	200.00
(ia) Lease Liabilities	3	866.24	823.45
(b) Other Non Current Liabilities			
(i) Deferred Income	2(f)	2,929.33	3,062.49
(ii) Other Non-Current Liabilities	12	<u>6,281.48</u>	<u>6,211.34</u>
		10,077.05	10,297.28
(B) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	785.51	1,531.11
(ia) Lease Liabilities	3	43.51	39.55
(ii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises and		240.23	111.98
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises	14		
		87.34	239.94
(b) Other Current Liabilities	15	<u>164.86</u>	<u>88.46</u>
		1,321.45	2,011.04
Total Equity & Liabilities		<u>12,955.70</u>	<u>13,829.50</u>

Note : Read with Note 2 Significant Accounting Policies

AUDITOR'S REPORT

As per our separate report of even date
For MANCHANDA & COMPANY,
Chartered Accountants,
Firm Registration Number 001678N

K.K. Sardana
(Managing Director)

Rakesh Chawla
(CFO)

Pallavi Dora
(Company Secretary)

Sd/-
(RAHUL MANCHANDA)
Partner
Memb. No. 098558

Place : Phagwara
Dated : 28th May, 2025

DIRECTORS

SARAVJIT SINGH HOTH
AVTAR SINGH
SANJEEV KUMAR
DHIRAJ SARDANA

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	NOTE	FOR THE YEAR ENDED 31.03.2025 (₹ LACS)	FOR THE YEAR ENDED 31.03.2024 (₹ LACS)
Revenue From Operations	16	6,027.03	5,817.62
Other Income	17	141.07	141.01
Total Revenue		6,168.10	5,958.63
Expenses			
Cost of Material Consumed	18	4,009.85	4,396.55
Changes in Inventories	19	18.77	85.14
Employees Benefits Exps.	20	281.13	263.80
Finance Cost	21	155.00	251.16
Depreciation	3	749.18	803.12
Other Expenses	22	862.93	877.61
Total Expenses		6,076.86	6,677.38
Profit / (Loss) Before Tax		91.24	(718.75)
Exceptional Items			
Profit / (Loss) Before Tax		91.24	(718.75)
Provision for Taxation			
1. Current Tax		—	—
Less : Mat Credit entitlement		—	—
2. Deferred Tax	2(d)	(55.22)	162.30
Profit / (Loss) for the Period from continuing operations		36.02	(556.45)
Profit / (Loss) for the Period		36.02	(556.45)
Other Comprehensive Income		—	—
Total Comprehensive Income (Comprising Profit/Loss and other Comprehensive Income for the Period)		36.02	(556.45)
Basic / Diluted EPS		0.11	(1.64)

AUDITOR'S REPORT

As per our separate report of even date

For MANCHANDA & COMPANY,

Chartered Accountants,

Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)

Partner

Memb. No. 098558

Place : Phagwara

Dated : 28th May, 2025

K.K. Sardana
(Managing Director)

Rakesh Chawla
(CFO)

Pallavi Dora
(Company Secretary)

DIRECTORS

SARAVJIT SINGH HOTH
AVTAR SINGH
SANJEEV KUMAR
DHIRAJ SARDANA

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

AUTHORISED SHARE CAPITAL			MOVEMENT IN EQUITY SHARE CAPITAL		
	No. of Shares	Amount		No. of Shares	Amount
As at 31st March 2023	3,50,00,000	35,00,00,000	As at 31st March 2023	3,39,10,272	33,91,02,720
Increased During the year	–	–	Fresh issued During the year	–	–
As at 31st March 2024	3,50,00,000	35,00,00,000	As at 31st March 2024	3,39,10,272	33,91,02,720
Increased During the year	–	–	Fresh issued During the year	–	–
As at 31st March 2025	3,50,00,000	35,00,00,000	As at 31st March 2025	3,39,10,272	33,91,02,720

OTHER EQUITY

F.Y. 2023-24

Particulars	Balance at the beginning of the reporting period	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividend	Transfer to Retained earnings	Any other change	Balance at the reporting period
1. Share application money pending allotment	–	–	–	–	–	–	–	–
2. Equity component of compound financial instruments	–	–	–	–	–	–	–	–
3. Reserve and surplus	–	–	–	–	–	–	–	–
(a) Capital reserve	–	–	–	–	–	–	–	–
(b) Security premium reserve	–	–	–	–	–	–	–	–
(c) Other reserve	–	–	–	–	–	–	–	–
(d) Retained earnings	(1,313.39)	–	(1,313.39)	(1,313.39)	–	(556.46)	–	(1,869.85)
4. Debt instruments through other Comprehensive Income	–	–	–	–	–	–	–	–
5. Equity instruments through other Comprehensive Income	–	–	–	–	–	–	–	–
6. Effective portion of Cash Flow Hedges	–	–	–	–	–	–	–	–
7. Revaluation Surplus	–	–	–	–	–	–	–	–
8. Financial statements of foreign operation	–	–	–	–	–	–	–	–
9. Other items of other Comprehensive Income	–	–	–	–	–	–	–	–
10. Money received against share warrants	–	–	–	–	–	–	–	–
Total	(1,313.39)	–	(1,313.39)	(1,313.39)	–	(556.46)	–	(1,869.85)

OTHER EQUITY

F.Y. 2024-25

Particulars	Balance at the beginning of the reporting period	Changes in accounting policy or prior period errors	Restated balance at the beginning of the reporting period	Total comprehensive income for the year	Dividend	Transfer to Retained earnings	Any other change	Balance at the reporting period
1. Share application money pending allotment	–	–	–	–	–	–	–	–
2. Equity component of compound financial instruments	–	–	–	–	–	–	–	–
3. Reserve and surplus	–	–	–	–	–	–	–	–
(a) Capital reserve	–	–	–	–	–	–	–	–
(b) Security premium reserve	–	–	–	–	–	–	–	–
(c) Other reserve	–	–	–	–	–	–	–	–
(d) Retained earnings	(1,869.85)	–	(1,869.85)	(1,869.85)	–	36.02	–	(1,833.83)
4. Debt instruments through other Comprehensive Income	–	–	–	–	–	–	–	–
5. Equity instruments through other Comprehensive Income	–	–	–	–	–	–	–	–
6. Effective portion of Cash Flow Hedges	–	–	–	–	–	–	–	–
7. Revaluation Surplus	–	–	–	–	–	–	–	–
8. Financial statements of foreign operation	–	–	–	–	–	–	–	–
9. Other items of other Comprehensive Income	–	–	–	–	–	–	–	–
10. Money received against share warrants	–	–	–	–	–	–	–	–
Total	(1,869.85)	–	(1,869.85)	(1,869.85)	–	36.02	–	(1,833.83)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

		Year Ended 31st March, 2025 (₹ lacs)	Year Ended 31st March, 2024 (₹ lacs)
FLOWS FROM OPERATING ACTIVITIES			
Net Profit before tax		91.24	(718.76)
Adjustments for non-cash items			
Depreciation	3	749.19	803.12
Provision for Gratuity	12	3.68	6.71
Interest on Lease Liability	3	86.30	81.72
Government grant realised as revenue	2(f)	(133.15)	(133.15)
Adjustments for non-operating activities			
Interest Paid	21	68.70	169.44
Operating Profits before working capital changes		865.96	209.08
Change in working capital			
Increase in Inventories	19	76.40	(148.27)
Increase in Trade Receivables	6	0.03	0.50
Increase in other Current Assets	8	114.97	297.02
Increase in Trade Payables	14	(24.37)	51.76
Increase in Other Current Liabilities	15	76.39	(35.37)
		243.42	165.64
Cash generated from operation		1,109.38	374.72
Direct Taxes Paid		-	-
NET FLOWS FROM OPERATING ACTIVITIES		1,109.38	374.72
FLOWS FROM INVESTING ACTIVITIES			
Addition to Property Plant & Equipment along with additions to Capital WIP	3	(98.61)	(303.68)
Other Non Current Assets	4	(11.59)	(32.79)
NET FLOWS FROM INVESTING ACTIVITIES		(110.20)	(336.47)
FLOWS FROM FINANCING ACTIVITIES			
Repayment to Bank	11&13	(945.60)	(634.45)
Securities received/(Repaid)	12	2.46	8.21
Other Non Current Liabilities	12	63.99	780.47
Interest on Bank Borrowings	21	(68.70)	(169.44)
Lease Rental Paid	3	(39.55)	(35.96)
NET FLOWS FROM FINANCING ACTIVITIES		(987.40)	(51.17)
Net Cash Flows during the year		11.78	(12.91)
Cash & cash equivalents at the beginning of the year	7	14.44	27.37
Cash & cash equivalents at the end of the year	7	26.23	14.44

AUDITOR'S REPORT

As per our separate report of even date
For MANCHANDA & COMPANY,
Chartered Accountants,
Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)
Partner
Memb. No. 098558

Place : Phagwara
Dated : 28th May, 2025

K.K. Sardana
(Managing Director)

Rakesh Chawla
(CFO)

Pallavi Dora
(Company Secretary)

DIRECTORS

SARAVJIT SINGH HOTHI
AVTAR SINGH
SANJEEV KUMAR
DHIRAJ SARDANA

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

1. CORPORATE INFORMATION

Sukhit Mega Food Park & Infra Ltd. (The Company) is Public Limited Company incorporated in India. The address of its registered office is Sarai Road, Phagwara -144401 and site address is Village Rehana Jattan 144407 Tehsil Phagwara Distt. Kapurthala(Punjab).

The Company has commenced its operations of the Mega Food Park in financial year 2020-21. The Project was sanctioned by the Ministry of Food Processing Industry, Govt. of India on a land measuring 55 Acres having various common facilities like Raw material & Finished goods warehouses, Silos, Captive power Plant, IQF / Deep Freezer & Cold Storage, Effluent Treatment Plant, Admin building, Worker Hostel, Standard Design Factory Sheds for MSME units, Food Testing Lab, Sorting / Grading Yard and other infrastructural facilities for the Food Processing units set up inside the Mega Food Park.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Method of Accounting

The company maintains its financial statements on accrual basis and in accordance with the historical cost convention generally accepted accounting practice and applicable Indian Accounting Standards as well as the relevant provisions of Companies Act, 2013. However, certain escalation/claim which are not ascertainable or unacknowledged are accounted for on their being acknowledged.

(b) Lease

The Company has adopted Ind AS 116 "Leases" effective April 01, 2019 and applied the same to its Leases using the "Modified Retrospective Approach".

The company holds Right-Of-Use Asset (ROU Asset) held under a lease of 33 years under the Property Plant & Equipment as Land.

(c) Foreign Currency Transactions

No Foreign Currency Transaction has been made during the year.

(d) Income Tax

The company has provided for current and deferred income taxes on promotional tax rates under section 115BAA of the Income Tax Act, 1961 from FY2022-23 onwards. This has been changed from normal tax rates used for estimation of deferred taxes upto FY2021-22. This deferred taxes have been accounted for as per as per IndAS 12 Income Taxes.

Current Taxes are NIL since the company has no taxable income for the year.

PARTICULARS	(₹ Lacs)	
	CURRENT YEAR	PREVIOUS YEAR
Timing difference and carry forward losses	893.48	1,112.86
(@ Tax Rate 22% + Surcharge 10% + Cess 4%)	224.87	280.09
Provision existing on previous year's balance sheet date	280.09	117.79
Net provision in Statement of Profit and Loss for the year	(55.22)	162.30

Sukhjiti Mega Food Park & Infra Limited, Phagwara

(e) Related Party disclosure

(A) Party which significantly influence the company :

M/s THE SUKHJIT STARCH & CHEMICALS LIMITED, PHAGWARA (HOLDING COMPANY)

Share of company held by holding company	Current Year	Previous Year
The Sukhjiti Starch & Chemicals Ltd., (Holding Company)	100%	100%

(B) Parties which are significantly influenced by the company : NIL

(C) Key Management Personnel compensation :

The total remuneration of the Key Management Personnel is as under :

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
– Chief Financial Officer (CFO)	9.25	13.70
– Company Secretary (CS)	7.53	6.84

(D) Director's Fees

Mr. Tarsem Singh Lally	0.17	0.10
Mr. Vikas Uppal	0.17	0.20
Mr. Ajit Singh	0.22	0.20
Mr. Saravjit Singh Hothi	0.15	–
Mr. Avtar Singh	0.30	–
Mr. Sanjeev Kumar	0.15	–

(E) Related Party transactions :

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Sale of Goods & Services to Holding Company	5,078.03	5,547.33
Sale of FA to Holding Company	28.97	1.50
Sale of Store in Hand to Holding Company	0.40	3.99
Purchases from Holding Company	47.42	91.10

(F) Outstanding Balance at the end of the year 6,241.50 6,177.50

(f) Government Grant

The company is eligible for total grant in aid of ₹ 48.70 crore as per approval from the Ministry of Food Processing Industry, Govt Of India, out of which ₹ 38.76 crore has been received upto Balance Sheet date. The grant is linked to eligible Capital Expenditure of ₹100 Cr, against which the company has incurred a capital expenditure of more than ₹ 140 Cr. The balance grant of around ₹10 Cr., receivable from the Ministry has not been recognised as receivable (asset) in the books of accounts.

Out of the grants received for ₹ 3,876 Lacs, the company has recognised ₹ 133.15 Lacs as income for the current financial year 2023-24, as per following

1. ₹ 50 Lacs being one year's equivalent of its ₹15 crore received in F.Y. 2017-18 spread over 30 years life of project,
2. ₹ 48.27 lacs being one year's equivalent of its ₹14 crore received in F.Y. 2018-19 spread over 29 years life of project and
3. ₹ 34.87 Lacs being one year's equivalent of its ₹9.76 crore received in F.Y. 2019-20 spread over 28 years life of project. The balance amount is held as deferred income as Non Current Liabilities ₹29.29 crore (FY 2023-24 ₹30.62 crore) in accordance with the IND-AS 20.

(g) Borrowing Cost

Borrowing costs relating to period prior to acquisition of fixed assets and pre-construction period are capitalized as part of costs of fixed assets. Other borrowing costs are written off as expense during the year. During the year ₹ 4.58 lacs has been capitalized under in PPE, (P.Y. Nil)

(h) Presentation

Previous year figures have been regrouped for better presentation. Useful life of certain assets has been realigned.

Sukhjit Mega Food Park & Infra Limited, Phagwara

2(1) KEY FINANCIAL RATIOS :

S.No.	RATIOS	Numerator	Denominator	2024-25	2023-24	Variance (In %)
1	Current Ratio	Current Assets	Current Liabilities	0.98	0.73	34.25
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.50	1.14	56.14
3	Debt Service Coverage Ratio	Profit before Tax + Depreciation + Interest	Current Maturity of Long Term Borrowings + Interest	2.52	0.46	447.83
4	Return on Equity Ratio	Net Profit After Tax	Avg. Equity	--	--	--
5	Inventory Turnover Ratio	Net Sales	Avg. Inventory of Finished goods	--	--	--
6	Trade Receivable Turnover Ratio	Net Sales	Avg. Receivables	--	--	--
7	Trade Payable Turnover Ratio	Net Purchases	Avg. Trade Payables	--	--	--
8	Net Capital Turnover Ratio	Net Sales	Avg. working Capital	--	--	--
9	Net Profit Ratio	Net Profit	Net Sales	--	--	--
10	Return on Capital employed	Profit before Interest & Tax	Avg. Cap. Employed (Equity + Non Current Liabilities)	--	--	--
11	Return on Investment	Income from Investments	Time weighted Avg. Investments	--	--	--

Notes :

Sr. 4,9,10	Due to NIL / Negligible Profit during the year
Sr. 5,7,8	N.A. / Not Relevant - The Company being an Infrastructural / Service Provider Company
Sr. 6	N.A. Due to NIL / Negligible Trade Receivables
Sr. 11	N.A. Due to NIL Investments

Presentation

Previous year figures have been regrouped for better presentation. Useful life of certain assets has been realigned.

AUDITOR'S REPORT

As per our separate report of even date
For MANCHANDA & COMPANY,
Chartered Accountants,
Firm Registration Number 001678N

Sd/-
(RAHUL MANCHANDA)
Partner
Memb. No. 098558

Place : Phagwara
Dated : 28th May, 2024

K.K. Sardana
(Managing Director)

Rakesh Chawla
(CFO)

Pallavi Dora
(Company Secretary)

DIRECTORS

SARAVJIT SINGH HOTH
AVTAR SINGH
SANJEEV KUMAR
DHIRAJ SARDANA

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

3. PROPERTY, PLANT & EQUIPMENT

(Amount ₹ Lacs)

Particulars	Land	Right to Use Asset (Land)*	Building	Furniture & Fixtures	Plant & Machinery	Electric Fitting & other Equip.	Vehicles	Computer	Total Assets
COST									
Cost as on 01.04.2024	444.71	647.50	4,706.70	84.48	8,988.11	9.40	103.14	68.44	15,052.49
Additions	–	–	116.19	0.30	37.38	–	–	0.38	154.25
Sale/Adjustments	–	–	–	–	–	–	–	–	–
Total as on 31.03.2025	444.71	647.50	4,822.90	84.78	9,025.49	9.40	103.14	68.83	15,206.74
DEPRECIATION									
Upto 31.03.2024	–	111.64	1,497.78	55.91	1,459.50	6.36	77.74	57.58	3,266.50
On WDV as on 31.03.2025	–	22.33	310.12	7.82	388.97	1.55	8.62	4.66	744.07
On Additional during the year	–	–	3.58	0.06	1.30	–	–	0.17	5.12
On Sale/Adjustments	–	–	–	–	–	–	–	–	–
Upto 31.03.2025	–	133.97	1,811.48	63.79	1,849.77	7.91	86.36	62.41	4,015.68
NET VALUE									
As at 31.03.2025	444.71	513.83	3,011.42	20.99	7,175.72	1.50	16.78	6.42	11,191.06
As at 31.03.2024	444.71	535.86	3,208.93	28.57	7,528.61	3.04	25.40	10.86	11,785.99

Right to Use Asset

The total cost of this ROU Asset had been measured as present value of the future lease payments by discounting total lease payment with interest rate implicit in the lease using the "Modified Retrospective Approach". The composite present value of ROU Asset would be depreciated at straight line and interest cost for corresponding lease liability, instead of claiming actual lease payment expense, as per IndAS116 Leases.

For the Financial Year 2024-25, Interest corresponding to Lease Liability is ₹86.30 lacs (FY 2023-24 ₹81.72 Lacs) is shown under Note 22 and the carrying amount of the lease liability in Balance Sheet as on March 31, 2025 is ₹909.75 Lacs (March 31, 2024 ₹863.00 Lacs) under

- (a) Current Liabilities ₹43.51 Lacs (March 31, 2024 ₹39.55 Lacs) and
 - (b) Non Current Liabilities ₹866.24 Lacs (March 31, 2024 ₹823.45 Lacs)
- Lease rental paid during the year ₹39.55 Lacs (March 31, 2024 ₹35.95 Lacs)

Capital Work in Progress	Original Cost as on 01.04.2024	Addition / Sale	(Capitalisation)	Original Cost as on 31.03.2025
Assets Name				
Building	69.07	55.01	(116.13)	7.96
Plant & Machinery	137.31	5.47		142.78
Total	206.38	60.48	(116.13)	150.74
Previous Year	13.13	193.25		206.38

DEPRECIATION

Depreciation on ROU Asset has been provided on Straight line method in terms of expected life span of assets and remaining period of lease respectively. However, depreciation on other PPEs on written down value basis at the specified under schedule II of the Companies Act, 2013 on pro-rata basis with reference to month of addition/ installation. Depreciation on assets having cost less than ₹ 5,000/- have been charged at the rate of 95%.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

	AS ON 31.3.2025 (Amount ₹ Lacs)	AS ON 31.3.2024 (Amount ₹ Lacs)
4. FINANCIAL ASSETS - OTHERS		
Security Paid	93.89	82.30
	<u>93.89</u>	<u>82.30</u>
5. INVENTORY		
Stores, Spares and Fuel	416.42	474.05
Finished Goods	675.35	694.12
	<u>1091.77</u>	<u>1,168.17</u>
Raw Material, stores & spares, packing material, stock in process and finished goods held for resale are valued at lower of cost and net realisable value. By-products are valued at their net realisable value.		
6. TRADE RECEIVABLES		
Trade Receivables considered good - unsecured (*)	0.90	0.93
Sub Total	<u>0.90</u>	<u>0.93</u>
(*) All trade receivables are less than 180 days.		
7. CASH & CASH EQUIVALENTS		
Balances with Scheduled Bank in current account	25.61	14.12
Cash in Hand	0.62	0.32
	<u>26.23</u>	<u>14.44</u>
8. OTHER CURRENT ASSETS		
Taxes Recoverables	107.94	211.13
Prepaid Expenses	25.21	25.96
Sundry Advances	43.09	54.11
	<u>176.24</u>	<u>291.20</u>
9. EQUITY SHARE CAPITAL		
Equity Share Capital		
Authorised Capital		
3,50,00,000 Equity Shares of ₹ 10/- each	<u>3,500.00</u>	<u>3,500.00</u>
Issued, Subscribed & Paid up Capital		
339,10,272 Eq. Shares (PY 339,10,272 Eq. Shares) of ₹ 10/- each fully paid up	3,391.03	3,391.03
	<u>3,391.03</u>	<u>3,391.03</u>

Share of company held by holding company

The Sukhjit Starch & Chemicals Ltd. holds 100% shares on March 31, 2025 and March 31, 2024.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

	AS ON 31.3.2025 (Amount ₹)	AS ON 31.3.2024 (Amount ₹)
10. OTHER EQUITY		
Reserve & Surplus		
Retained Earnings		
Deficit Brought forward	(1,869.85)	(1,313.39)
Add / (Less) : (Deficit)/Surplus for the period	36.02	(556.46)
	<u>(1,833.83)</u>	<u>(1,869.85)</u>
11. LONG TERM BORROWINGS		
Secured Loans		
Term Loan from YES Bank Ltd.		
(secured against all Current & Moveable Fixed Assets)	–	200.00
12. OTHER NON CURRENT LIABILITIES		
Advances from Holding Co.	6,241.50	6,177.50
Provision for Gratuity	21.12	17.44
Security / Other Deposits	18.86	16.40
	<u>6,281.48</u>	<u>6,211.34</u>
13. SHORT TERM BORROWINGS		
Term Loan repayment to YES Bank		
Installments out of loans at Note 12 above, payable within 12 months	200.00	800.00
 Cash Credit Limit from YES Bank (Secured against all current assets)	 585.51 <u>785.51</u>	 731.10 <u>1,531.10</u>

14. TRADE PAYABLES

FY 2024-25	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	240.23	–	–	–	240.23
(ii) Others	63.80	1.58	0.75	21.21	87.34
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
	304.03	1.58	0.75	21.21	327.57

FY 2023-24	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	111.97	–	–	–	111.98
(ii) Others	216.15	0.79	1.41	21.59	239.94
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - Others	–	–	–	–	–
	328.12	0.79	1.41	21.59	351.92

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

	AS ON 31.3.2025 (Amount ₹)	AS ON 31.3.2024 (Amount ₹)
15. OTHER CURRENT LIABILITIES		
Taxes Payable	1.65	1.79
Advances from customers	0.60	18.98
Expense Payable	162.61	67.69
	164.86	88.46
16. REVENUE FROM OPERATIONS		
Sale of Products	5,395.02	5,120.89
Sale of Services	632.01	696.73
	6,027.03	5,817.62
17. OTHER INCOME		
Interest	6.92	7.84
Government Grant (See Note 2[f])	133.15	133.15
Miscellaneous income	1.00	
Profit on sale of Asset	–	0.02
	141.07	141.01
18. COST OF MATERIAL CONSUMED		
Material Consumed		
Raw Material	585.42	48.76
Consumables	3,424.43	4,347.79
	4,009.85	4,396.55
19. CHANGES IN INVENTORY		
(A) Inventories at the beginning of the year		
Finished Goods	694.12	779.26
(B) Inventories at the closing of the year		
Finished Goods	675.35	694.12
Net changes in Inventories (A) - (B)	18.77	85.14
20. EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	262.95	244.77
Employee Welfare	2.30	2.72
Bonus	8.77	8.96
Gratuity	7.11	7.35
	281.13	263.80
21. FINANCE COST		
Bank Interest (Gross)	84.91	174.02
Less : Amount Capitalised (Note : Borrowing cost is capitalised to various assets) (Also See Note 2[g])	(16.21)	(4.58)
Bank Interest	68.70	169.44
Interest on Lease Liability	86.30	81.72
	155.00	251.16

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

	AS ON 31.3.2025 (Amount ₹)	AS ON 31.3.2024 (Amount ₹)
22. OTHER EXPENSES		
(a) Manufacturing Expenses		
Power consumed	557.61	554.72
Other Manufacturing Exp.	196.05	224.10
	<u>753.66</u>	<u>778.82</u>
(b) Administration, Selling & Other Expenses		
Auditor's Remuneration :		
For Statutory Audit	0.30	0.30
For Tax Audit	0.20	0.20
Bank Charges	0.17	0.24
Director Fees	1.18	0.50
Entertainment	0.04	0.02
Fees & Subscription	1.71	0.67
General Expenses	18.30	17.87
Insurance	18.77	20.61
Loading/Unloading Charges	11.99	1.37
Printing & Stationery	0.34	0.96
Professional Fees	4.87	4.15
Building Repair	8.19	10.81
Repair and Maintenance	26.34	18.75
Security Expenses	9.12	13.69
Taxes & Registration	4.45	4.46
Telephone Expenses	0.18	0.13
Travelling & Conveyance	3.12	4.06
	<u>109.27</u>	<u>98.79</u>
	<u>862.93</u>	<u>877.61</u>

AUDITOR'S REPORT

As per our separate report of even date
For MANCHANDA & COMPANY,
Chartered Accountants,
Firm Registration Number 001678N

Sd/-

(RAHUL MANCHANDA)
Partner
Memb. No. 098558

Place : Phagwara
Dated : 28th May, 2025

K.K. Sardana
(Managing Director)

Rakesh Chawla
(CFO)

Pallavi Dora
(Company Secretary)

DIRECTORS [SARAVJIT SINGH HOTH
AVTAR SINGH
SANJEEV KUMAR
DHIRAJ SARDANA

The Vijoy Steel & General Mills Co. Ltd., Phagwara

BOARD OF DIRECTORS

Sh. Raman Narang
Sh. S.D Patel
Sh. Rakesh Chawla

AUDITORS

M/s N.K. Gaba & Co.
Chartered Accountants
Railway Road,
Phagwara.

REGISTERED OFFICE

G.T. Road,
Phagwara-144 401.
Distt. Kapurthala (Pb.)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present before you the 79th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2025.

1. FINANCIAL PERFORMANCE

The Company has been providing engineering support to the manufacturing operations of the Sukhjit group. The Company has shown similar performance vis-a-vis last Financial Year. However, the Company plans to discontinue its operations in the running year owing to inadequate revenues / level of operations of the Company.

2. DIVIDEND

The Board of Directors has not recommended any dividend for the financial year ended 31st March, 2025.

3. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3c) of the Companies Act, 2013, the Directors state that:

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2025 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

4. DIRECTORS

- Sh. S.D. Patel retires by rotation and being eligible, the Board recommends his re-appointment.
- The Board has co-opted Sh. Rakesh Chawla as an additional Director of the Company subject to the approval of the shareholders of the Company in the ensuing Annual General Meeting. He has been co-opted in place of Sh. V.K Suri, who resigned from the Directorship of the Company due to his pre-occupation.

5. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency.

6. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company. However, the transactions with Holding Company is incurred after due appraisal at Director's level, which are in the ordinary course of business and are on arm's length price, in terms of Ind AS-24 are given as per notes to Accounts.

7. MEETINGS OF THE BOARD

During the Financial Year 2024-25, four Board Meetings were held on 28/05/2024, 06/08/2024, 21/11/2024 and 19/03/2025.

8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has neither given any loan / Guarantee nor made any Investment / provide any Security.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) **Conservation of Energy** : Your company continues to put in its efforts to conserve energy under Energy Conservation Programme and through better utilization of equipment and proper production planning.

(b) **Technical arrangements** : The company has not entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

(c) Foreign Exchange Earnings & Outgo	2024-2025 (₹ lacs)	2023-2024 (₹ lacs)
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) **Particulars of Employees** : There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 1,02,00,000/- p.a. or ₹ 8,50,000/- p.m. if employed for a part of the year.

10. GENERAL DISCLOSURE

- The Company has not accepted/ renewed any deposits during the year under reference.
- No shares have been issued with differential rights as to dividend, voting or otherwise.
- The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and the General Meetings.
- The last Annual General Meeting (AGM) of the Company was held on 17.08.2024 at Registered Office of the Company at Phagwara.
- There is no significant and material order passed by any regulator, court, tribunal which may impact the going concern status of the Company and Company's operations in future.
- There is no change in the nature of company's business during the year under review.
- The Company does not have any Stock Option Scheme.
- There was no instance of fraud during the year under reference, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules made thereunder.
- The Board has constituted an Internal Committee for redressal of grievance / complaint (if any) under "Sexual Harassment of Woman at workplace (Prevention, Prohibition and Redressal) Act, 2013." The committee has not received any complaint during the year under reference.

11. AUDITORS AND AUDITOR'S REPORT

Statutory Auditors:

M/s N.K. Gaba & Co., Chartered Accountants, the retiring Auditors of the company, have confirmed their eligibility to be re-appointed as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 81st Annual General Meeting.

The Auditor's report given by M/s. N.K. Gaba & Co., Chartered Accountants, does not have any qualification, reservation or adverse remark.

12. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the bankers, authorities, customers, members and other business associates. They place on record their deep sense of appreciation for the committed services of the executives, staff and workers of the Company for its success.

Yours truly,
For and on behalf of the Board,
Sd/-
Rakesh Chawla
Director

Place : Phagwara
Dated : 28th May, 2025

INDEPENDENT AUDITORS' REPORT

To
The Members of
The Vijoy Steel & General Mills Co. Ltd.
G.T. Road, Phagwara.

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone Financial Statements of THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and Profit, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

MANAGEMENT'S RESPONSIBILITY FOR STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

1. As required by the Companies (Audit and Auditors) Rules, 2014, a report on the internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is in Annexure A
2. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

Further to our comments in the Annexure B referred to above, we report that :

- (a) We have obtained all the information as required and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
- (c) The Balance Sheet, Profit & Loss Statement, Cash Flow Statement and Statement of Changes in Equity, referred to in this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors, as on 31st March 2025, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- (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 specific report in "Annexure A"
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us :
- I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred (if any), to the Investor Education and Protection Fund by the Company.
 - IV. (A) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (B) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (C) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided above, contain any material misstatement.
 - V. The Company has not paid any Dividend during the year.
 - VI. The Company has maintained its books of accounts in Tally Accounting Software during the Financial Year based on our examination which included test checks, the Company has enabled the Audit Trail feature for maintaining its books of account for the financial year ended 31st March 2025.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

UDIN : 25082375BMFYIW6845

Place : Phagwara

Dated : 28th May, 2025

Annexure 'A' to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Annexure 'B' to the Independent Auditor's Report

The Annexure B referred to in the Auditors' Report to the members of THE VIJOY STEEL & GENERAL MILLS CO. LTD., PHAGWARA for the year ended 31st March 2025. We report that:

1. The Company has maintained records showing quantitative details of Fixed Assets.

The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

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 are held in the name of the Company.

The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year. No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. As explained to us, The management of the Company has conducted physical verification of inventory at regular intervals and no material discrepancies were noticed on physical verification.

The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

The company has not been sanctioned any working capital limit from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable.

3. During the year, the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The maintenance of the cost records has not been specified for the activities of the company by the Central Government u/s 148(1) of the Companies Act, 2013. Hence reporting under clause 3(vi) of the Order is not applicable.
7. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, ESI, Investor Education and Protection Fund, Sales-tax, Wealth tax, Service Tax, Income Tax, Customs duty, VAT, etc.

According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service Tax, Excise and Wealth tax which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and according to the information and explanations given to us, There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and debenture holders. The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
10. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year under review.

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

The Vijoy Steel & General Mills Co. Ltd., Phagwara

According to the information and explanations given to us, no report under sub section 12 of the section 143 of the Companies Act has been filed by the auditor in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rule 2014 with the Central Government.

As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

12. The Company is not a Nidhi Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable indian accounting standards.
14. As explained to us, the Company has not installed an Internal Audit System as the same is not mandated owing to the size of the Company and the scale of its operations.
15. According to the information and explanations given to us, the Company has not entered into any noncash transactions with directors or persons connected with them.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. The Company has not incurred cash losses in the current financial year and in the immediate proceeding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
19. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.
21. The Company is not required to declare any consolidated financial statements, hence the auditor is not required to report on the same.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Place : Phagwara

Memb. No. 82375

Dated : 28th May, 2025

UDIN : 25082375BMFYIW6845

The Vijoy Steel & General Mills Co. Ltd., Phagwara

BALANCE SHEET AS ON 31ST MARCH, 2025

	NOTE	AS ON 31.3.2025		AS ON 31.3.2024	
ASSETS		(₹ LACS)		(₹ LACS)	
1. NON CURRENT ASSETS					
(a) Property, Plant and Equipment	1	20.23		22.91	
(b) Deferred Tax Asset (net)		2.52		2.50	
(c) Other Non Current Assets	2	3.90	26.25	3.90	29.31
2. CURRENT ASSETS					
(a) Inventories	3	66.95		104.13	
(b) Financial Assets					
(i) Trade Receivables	4	0.88		2.11	
(ii) Cash & Cash Equivalents	5	1.41		4.82	
(c) Other Current assets	6	--	69.23	4.03	115.09
Total Assets			95.88		144.40
EQUITY AND LIABILITIES					
1. EQUITY					
(a) Equity Share Capital	7	23.06		23.06	
(b) Other Equity	8	24.49	47.56	12.56	35.62
2. LIABILITIES					
(A) NON CURRENT LIABILITIES					
(a) Provisions	9	11.44	11.44	11.48	11.48
(B) CURRENT LIABILITIES					
(a) Financial Liabilities					
(i) Trade Payables	10	4.32		5.37	
(b) Other Current Liabilities	11	28.15		89.19	
(c) Current Tax Liabilities (Net)	12	4.41	36.88	2.74	97.30
Total			95.88		144.40

The accompanying notes are intergal part of these financial statements

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [RAKESH CHAWLA
RAMAN NARANG
S.D. PATEL

Place : Phagwara
Dated : 28th May, 2025

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	NOTE	FOR THE YEAR ENDED 31.03.2025 (₹ LACS)	FOR THE YEAR ENDED 31.03.2024 (₹ LACS)
1. Revenue From Operations	13	256.62	236.75
2. Other Income	14	—	0.02
Total Revenue (I)		<u>256.62</u>	<u>236.77</u>
3. Expenses			
Cost of materials consumed	15	145.79	168.68
Change in Inventories of WIP and finished goods	16	36.63	(0.48)
Employees Benefits Exps.	17	19.56	20.07
Depreciation & Amortisation	1	2.68	2.68
Other Expenses	18	35.17	31.56
Total Expenses		<u>239.84</u>	<u>222.50</u>
4. Profit/Loss Before Tax (I-II)		16.79	14.27
5. Provision for Tax			
Current Tax		4.88	2.74
Deferred Tax		<u>(0.02)</u>	<u>(0.27)</u>
6. Profit/Loss for the Period		11.93	11.80
7. Other Comprehensive Income		—	—
8. Total Comprehensive Income		11.93	11.80
9. Earnings Per Share			
(i) Basic		5.17	5.12
(ii) Diluted		5.17	5.12

See Accompanying Notes to the Financial Statements

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [RAKESH CHAWLA
RAMAN NARANG
S.D. PATEL

Place : Phagwara
Dated : 28th May, 2025

The Vijoy Steel & General Mills Co. Ltd., Phagwara

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

(₹ LACS)

A. EQUITY SHARE CAPITAL

Bal at beginning of reporting period, i.e. 1st April, 2023	Changes in Equity Share Capital during 2023-24	Balance at end of reporting period, i.e. 31st March 2024	Changes in Equity Share Capital during 2024-25	Balance at end of reporting period, i.e. 31st March 2025
23.06	–	23.06	–	23.06

B. OTHER EQUITY

	Bal at beginning of reporting period, i.e. 1st April, 2023	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2024
As at 31st March 2024					
Reserve & Surplus					
Capital Reserve	0.14	–	–	–	0.14
General Reserve	14.90	–	–	–	14.90
Profit & Loss Account	(14.28)	11.80	–	–	(2.48)
Total	0.76	11.80	–	–	12.56

	Bal at beginning of reporting period, i.e. 1st April, 2024	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2025
As at 31st March 2025					
Reserve & Surplus					
Capital Reserve	0.14	–	–	–	0.14
General Reserve	14.90	–	–	–	14.90
Profit & Loss Account	(2.48)	11.93	–	–	9.45
Total	12.56	11.93	–	–	24.49

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS RAKESH CHAWLA
RAMAN NARANG
S.D. PATEL

Place : Phagwara
Dated : 28th May, 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

	For the Year Ended 31st March, 2025 (₹ lacs)	For the Year Ended 31st March, 2024 (₹ lacs)
A. NET PROFIT BEFORE TAX	16.79	14.27
Adjustments for		
Depreciation less Depreciation w/back	2.68	2.68
Provision for gratuity	(0.02)	1.62
Operating Profit before Working		
Capital Changes (A)	<u>19.44</u>	<u>18.57</u>
B. Adjustments for		
Receivables	1.23	(2.11)
Inventories	37.18	3.50
Current Assets	4.03	5.81
Current Liabilities	(60.42)	(22.05)
(B)	<u>(17.98)</u>	<u>(14.85)</u>
Cash Generated from Operations (A-B)	1.46	3.72
Income Tax for the period	(4.88)	(2.74)
C. NET CASH FROM OPERATING ACTIVITIES (C)	<u>(3.42)</u>	<u>0.98</u>
D. CASH FROM FINANCING & INVESTING ACTIVITIES		
Increase/Decrease in Fixed assets	-	-
Increase/Decrease in Security Deposits	-	-
NET CASH FROM FINANCING & INVESTING ACTIVITIES (D)	<u>-</u>	<u>-</u>
Net increase in Cash and Cash Equivalents (C+D)	(3.42)	0.98
Opening Cash and Cash Equivalents	4.82	3.84
Closing Cash and Cash Equivalents	<u>1.41</u>	<u>4.82</u>

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [RAKESH CHAWLA
RAMAN NARANG
S.D. PATEL

Place : Phagwara
Dated : 28th May, 2025

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

NOTE : 1

Particulars	GROSS BLOCK					DEPRECIATION BLOCK				NET BLOCK		(₹ LACS)
	Cost As on 01.04.2024	Additions		Sale/ write off	Cost As on 31.03.2025	Upto 31.03.2024 off Assets	Dep on sale/write	For the Year	Upto 31.03.2025	As on 031.03.2025	As on 31.03.2024	
		upto 03/10	After 03/10									
Land	5.54	-	-	-	5.54	-	-	-	-	5.54	5.54	
Building	9.10	-	-	-	9.10	6.87	-	0.29	7.16	1.94	2.23	
Electric Fitting	7.05	-	-	-	7.05	6.88	-	-	6.88	0.17	0.17	
Furniture	0.73	-	-	-	0.73	0.69	-	--	0.69	0.04	0.04	
Machinery	62.85	-	-	-	62.85	48.12	-	2.39	50.51	12.34	14.73	
Generator	1.45	-	-	-	1.45	1.45	-	-	1.45	0.01	0.01	
Patterns	3.82	-	-	-	3.82	3.74	-	-	3.74	0.07	0.07	
Tools & Tackles	2.05	-	-	-	2.05	2.02	-	--	2.02	0.04	0.04	
Tubewell	0.98	-	-	-	0.98	0.93	-	-	0.93	0.05	0.05	
Water Line & Hand Pump	0.43	-	-	-	0.43	0.43	-	-	0.43	0.01	0.01	
Weight Bridge	0.24	-	-	-	0.24	0.23	-	-	0.23	0.01	0.01	
Computer	0.45	--	-	-	0.45	0.44	-	--	0.44	0.01	0.01	
Total	94.70	--	--	--	94.70	71.79	--	2.68	74.47	20.23	22.91	

NOTE : 1

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
2. SECURITY DEPOSITS		
Security with P.S.E.B.	3.20	3.20
Security with Telephone Deptt.	0.07	0.07
Security with PSI & Exports Corp. Ltd.	0.45	0.45
Security (LPG Cylinder)	0.08	0.08
Security with NSDL	0.10	0.10
	<u>3.90</u>	<u>3.90</u>
3. INVENTORIES		
Raw Material	2.83	3.38
Work in Progress	37.83	50.33
Finished Goods	26.29	50.42
	<u>66.95</u>	<u>104.13</u>
4. TRADE RECEIVABLES		
Trade Receivables	0.88	2.11
	<u>0.88</u>	<u>2.11</u>

(Amt. in ₹ lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 180 days	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
FY 2024-25						
(i) Undisputed - considered good	0.88	—	—	—	—	0.88
(ii) Undisputed - considered doubtful	—	—	—	—	—	—
(iii) Disputed - considered good	—	—	—	—	—	—
(iv) Disputed - considered doubtful	—	—	—	—	—	—
	0.88	—	—	—	—	0.88
Less: Provision for doubtful debts						—
						0.88
FY 2023-24						
(i) Undisputed - considered good	2.11	—	—	—	—	2.11
(ii) Undisputed - considered doubtful	—	—	—	—	—	—
(iii) Disputed - considered good	—	—	—	—	—	—
(iv) Disputed - considered doubtful	—	—	—	—	—	—
	2.11	—	—	—	—	2.11
Less: Provision for doubtful debts						—
						2.11

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
5. CASH & CASH EQUIVALENTS		
Cash in Hand	0.45	0.28
Punjab National Bank CA-038300210004534	0.95	4.55
	<u>1.41</u>	<u>4.82</u>
6. OTHER CURRENT ASSETS		
Tax Deducted/Tax collected at Source	-	0.49
GST ITC	-	3.54
	<u>-</u>	<u>4.03</u>
7. EQUITY SHARE CAPITAL		
AUTHORISED		
2,50,000 Equity Shares of ₹ 10/- each each fully paid	<u>25.00</u>	<u>25.00</u>
ISSUED, SUBSCRIBED & PAID UP		
230640 Equity Shares of ₹ 10/- each fully paid (221800 Equity shares held by Holding Co.)	<u>23.06</u>	<u>23.06</u>
	<u>23.06</u>	<u>23.06</u>
8. OTHER EQUITY		
Capital Reserve	0.14	0.14
General Reserve	14.90	14.90
Profit & Loss Account		
Profit brought forward	(2.48)	(14.28)
Add : Current Year Profit	<u>11.93</u>	<u>11.80</u>
Bal. carried over to B/S	9.45	(2.48)
	<u>24.49</u>	<u>12.56</u>
9. LONG TERM PROVISIONS		
Provision for gratuity	<u>11.44</u>	<u>11.48</u>
	<u>11.44</u>	<u>11.48</u>
10. TRADE PAYABLES		
Trade payable for goods	0.76	1.94
Trade payable for Expense	<u>3.56</u>	<u>3.44</u>
	<u>4.32</u>	<u>5.38</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ LACS)

FY 2024-25	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	—	—	—	—	—
(ii) Others	0.76	—	—	—	0.76
(iii) Disputed dues - MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	0.76	—	—	—	0.76

FY 2023-24	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	—	—	—	—	—
(ii) Others	1.94	—	—	—	1.94
(iii) Disputed dues - MSME	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—
	1.94	—	—	—	1.94

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
11. OTHER CURRENT LIABILITIES		
Advances from Holding Co.	28.15	58.74
Other Current Liabilities	—	30.45
	<u>28.15</u>	<u>89.19</u>
12. CURRENT TAX LIABILITIES		
Income Tax Payable (Net)	4.41	2.74
	<u>4.41</u>	<u>2.74</u>
13. REVENUE FROM OPERATIONS		
Sales	256.62	236.75
	<u>256.62</u>	<u>236.75</u>
14. OTHER INCOME		
Misc. Income	—	0.01
	<u>—</u>	<u>0.02</u>
15. COST OF MATERIALS CONSUMED		
Opening Stock of Raw Material	3.38	7.37
Add : Purchases	145.24	164.69
	<u>148.62</u>	<u>172.06</u>
Less : Closing Stock of Raw Material	2.83	3.38
	<u>145.79</u>	<u>168.68</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
16. CHANGE IN INVENTORIES OF FINISHED GOODS & WIP		
Opening Stock of Finished Goods	50.42	25.99
Opening Stock of Work in Progress	50.33	74.28
Closing Stock of Finished Goods	26.29	50.42
Closing Stock of Work in Progress	37.83	50.33
	<u>36.63</u>	<u>(0.48)</u>
17. EMPLOYEES BENEFITS EXPENSES		
Salary & Wages	16.55	15.43
Contribution to PF & ESI etc.	2.17	2.15
Other Payments	0.83	2.48
	<u>19.56</u>	<u>20.07</u>
18. OTHER EXPENSES		
(a) Manufacturing Expenses		
Freight & Cartage	2.42	3.58
Power & Electricity	6.36	8.36
Job work Expenses	22.95	17.16
	<u>31.72</u>	<u>29.10</u>
(b) Administration, Selling & Other Expenses		
Auditors' Remuneration	0.45	0.45
Fees & Taxes	0.54	0.60
General Expenses	0.14	0.16
Printing & Stationery	0.08	0.11
Rent	0.06	0.06
Repair & Replacements	1.60	0.52
Travelling & Conveyance	0.34	0.34
Bank Charges	0.02	0.02
Water & Sewarge Exp	0.23	0.20
	<u>35.17</u>	<u>31.56</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

19. KEY FINANCIAL RATIOS :

S.No.	RATIOS	Numerator	Denominator	2024-25	2023-24	Variance (In %)
1	Current Ratio	Current Assets	Current Liabilities	1.88	1.18	59.32
2	Return on Equity Ratio	Net Profit After Tax	Avg. Equity	0.25%	0.33%	(24.24)
3	Inventory Turnover Ratio	Net Sales	Avg. Inventory	3.00	2.24	33.93
4	Trade Receivable Turnover Ratio	Net Sales	Avg. Receivables	--	--	--
5	Trade Payable Turnover Ratio	Net Purchases	Avg. Trade Payables	29.96	9.76	206.97
6	Net Capital Turnover Ratio	Net Sales	Avg. working Capital	10.24	23.99	(57.32)
7	Net Profit Ratio	Net Profit	Net Sales	4.65%	4.98%	(6.63)
8	Return on Capital employed	Profit before Interest & Tax	Avg. Cap. Employed (Equity + Non Current Liabilities)	35.30%	40.04%	(11.84)

Debt Equity Ratio and Debt Service Coverage Ratio are Not Applicable to the Company due to NIL Debt.

Return on Investments Ratio is Not Applicable to the Company due to NIL Investments.

Notes on variations :

Sr. 2,8	Due to higher Equity owing to Profits.
Sr. 3	Due to lower Inventory.
Sr. 4	N.A. Due to Negligible Trade Receivables.
Sr. 5	Due to lower Trade Payables.
Sr. 6	Due to higher Avg. Working Capital.
Sr. 7	Due to higher sales

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

20. SIGNIFICANT ACCOUNTING POLICIES

(a) COMPARATIVE INFORMATION ON FIRST TIME ADOPTION OF IND AS

The Financial Statements for the year ended 31st March 2018 are the first to have been prepared in accordance with IND AS. Opening Balance Sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016.

(B) METHOD OF ACCOUNTING

The financial statements are prepared on accrual basis under the historic cost convention, generally accepted accounting practices and applicable Accounting Standards as well as the relevant provisions of The Companies Act, 2013. However certain escalations/claims which are not ascertainable or unacknowledged, are accounted for on their being acknowledged.

(c) INVENTORIES

Inventories are valued at cost or net realizable value, whichever is less.

(d) DEPRECIATION

Depreciation is provided on Straight Line Method, Calculated as per the useful life provided under Companies Act 2013.

(e) FIXED ASSETS

Fixed Assets are stated at Original cost including duties, taxes, freight and any other incidental acquisition expenses and revenue expenditure incurred for the period prior to Commercial production is considered as a part of cost of assets.

21. FOREIGN CURRENCY TRANSACTIONS

There were no foreign currency transactions during the year.

22. TAXATION

Deferred Tax is provided for during the year in accordance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by ICAI. The Company has opted to remain in the existing Corporate Tax regime and may opt for the new Corporate tax rate in future.

23. AUDITOR'S REMUNERATION

	2024-25	2023-24
Statutory Audit fees	0.30	0.30
Tax Audit Fees	0.15	0.15

24. RELATED PARTY DISCLOSURE

(a) Party which significantly influences the company:

M/s THE SUKHIT STARCH & CHEMICALS LIMITED, PHAGWARA (HOLDING COMPANY)

(b) Parties which are significantly influenced by the company : NIL

(c) Related Party Disclosures :

	2024-25	2023-24
PARTICULARS		
Sale of Goods	223.34	232.67
Purchase of Goods	3.41	15.47
Rent Paid	0.06	0.06

25. Previous Year's figures have been rearranged and regrouped wherever necessary.

26. Provision for Gratuity has been made in accordance with Accounting Standard 15, "Employee Benefits".

BOARD OF DIRECTORS

Sh. K.K. Sardana
Sh. Dhiraj Sardana
Sh. Bhavdeep Sardana

AUDITORS

M/s N.K. Gaba & Co.
Chartered Accountants
Railway Road, Phagwara.

REGISTERED OFFICE

Sukhjot Road,
Phagwara-144 401.
Distt. Kapurthala (Pb.)

DIRECTORS' REPORT

Dear Share Holders:

Your Directors are pleased to present before you the 28th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2025.

1. FINANCIAL PERFORMANCE

The company has shut down its operations owing to huge losses over the years. Most of its assets have been already disposed off and efforts are on to realize the dues from its old customers and wind up the Company.

2. DIVIDEND

In view of losses suffered by the company, the Board of Directors has not recommended any dividend for the financial year ended 31st March, 2025.

3. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3c) of the Companies Act, 2013, the Directors state that:

- (i) in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Indian Accounting Standards have been followed along with proper explanations relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year so ended;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the financial Year ended 31st March, 2025 on a 'going concern' basis;
- (v) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

4. DIRECTORS

- Sh. Dhiraj Sardana retires by rotation and being eligible, the Board recommends his appointment.
- During the year, Sh. V.K. Suri has resigned from the Directorship of the Company due to his pre-occupation. The Board placed deep appreciation for the services rendered by him as member of the Board.

5. INTERNAL FINANCIAL CONTROLS

Internal financial control systems of your company ensure the reliability of financial reporting, timely feedback on the achievement of operational or strategic goals and compliance with laws & regulations. The management reviews the systems periodically to systematically improve business processes in regard to their effectiveness and efficiency.

6. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any material transaction with its Promoters, Directors or their Relatives which could have potential conflict with the interest of the Company.

7. MEETINGS OF THE BOARD

During the Financial Year 2024-25, five Board Meetings were held on 28/05/2024, 06/08/2024, 24/10/2024, 11/02/2025 and 19/03/2025.

8. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The Company has neither given any loan / Guarantee nor made any Investment / provide any Security.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(a) **Conservation of Energy** : Your company had been putting in its efforts to conserve energy under Energy Conservation Programme and through better utilization of equipment and proper production planning during the years of its working. However, it has not undergone any operational activity during the year under reference

(b) **Technical arrangements**: The company has not entered into any technical (Foreign or indigenous) collaboration arrangement. It has not incurred any expenditure for acquiring any technical know-how either indigenous or foreign.

(c) Foreign Exchange Earnings & Outgo	2024-2025 (₹ lacs)	2023-2024 (₹ lacs)
1. Foreign Exchange Earnings on Exports	-	-
2. Foreign Exchange used on account of		
(i) Foreign Travel	-	-
(ii) CIF Value of Imports-	-	-
Capital Goods	-	-
Raw Material & Consumables	-	-

(d) **Particulars of Employees**: There had been no employee with the company who was in receipt of remuneration in aggregate of not less than ₹ 1,02,00,000/- p.a. or ₹ 8,50,000/- p.m. if employed for a part of the year.

10. GENERAL DISCLOSURE

- (i) The Company has not accepted/ renewed any deposits during the year under reference.
- (ii) No shares have been issued with differential rights as to dividend, voting or otherwise.
- (iii) The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and the General Meetings.
- (iv) The last Annual General Meeting (AGM) of the Company was held on 17.08.2024 at Registered Office of the Company at Phagwara.
- (v) There is no significant and material order passed by any regulator, court, tribunal which may impact the going concern status of the Company and Company's operations in future.
- (vi) There is no change in the nature of company's business during the year under review.
- (vii) The Company does not have any Stock Option Scheme.
- (viii) There was no instance of fraud during the year under reference, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules made thereunder.

11. AUDITORS AND AUDITOR'S REPORT

Statutory Auditors :

M/s N.K. Gaba & Co., Chartered Accountants, the retiring Auditors of the company, have confirmed their eligibility to be re-appointed as statutory auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 30th Annual General Meeting.

The Auditor's report given by M/s. N.K. Gaba & Co., Chartered Accountants, does not have any qualification, reservation or adverse remark.

12. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from time to time from the bankers, authorities, customers, members, employees and other business associates.

Yours truly,
For and on behalf of the Board,
Sd/-

K.K. Sardana
Director

Place : Phagwara
Dated : 28th May, 2025

INDEPENDENT AUDITORS' REPORT

To
The Members of
Scott Industries Limited,
G.T. Road, Phagwara.

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone Financial Statements of SCOTT INDUSTRIES LIMITED, PHAGWARA which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and Loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

MANAGEMENT'S RESPONSIBILITY FOR STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

Our opinion is not modified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :

1. As required by the Companies (Audit and Auditors) Rules, 2014, a report on the internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 is in Annexure A
2. As required by the Companies (Auditor's Report) Order, 2020, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the said Order.

Further to our comments in the Annexure B referred to above, we report that :

- (a) We have obtained all the information as required and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
- (c) The Balance Sheet, Profit & Loss Statement, Cash Flow Statement and Statement of Changes in Equity, referred to in this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors, as on 31st March 2025, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- (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 specific report in "Annexure A"
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2020, in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - III. There has been no delay in transferring amounts, required to be transferred (if any), to the Investor Education and Protection Fund by the Company.
 - IV. (A) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (B) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (C) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided above, contain any material misstatement.
 - V. The Company has not paid any Dividend during the year.
 - VI. The Company has maintained its books of accounts in Tally Accounting Software during the Financial Year based on our examination which included test checks, the Company has enabled the Audit Trail feature for maintaining its books of account for the financial year ended 31st March 2025.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

UDIN : 24082375BMFYIV6212

Place : Phagwara

Dated : 28th May, 2025

Annexure 'A' to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of SCOTT INDUSTRIES LIMITED, PHAGWARA in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Annexure 'B' to the Independent Auditor's Report

The Annexure B referred to in the Auditors' Report to the members of SCOTT INDUSTRIES LIMITED, PHAGWARA for the year ended 31st March 2025. We report that:

1. The Company has maintained records showing quantitative details of Fixed Assets.

The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

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 are held in the name of the Company.

The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.

No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. As explained to us, The management of the Company has conducted physical verification of inventory at regular intervals and no material discrepancies were noticed on physical verification.

The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

The company has not been sanctioned any working capital limit from banks or financial institutions on the basis of security of current assets at any point of time during the year hence reporting under clause 3(ii)(b) of the Order is not applicable.

3. During the year, the company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties hence clause 3(iii)(a) to 3(iii) (f) is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The maintenance of the cost records has not been specified for the activities of the company by the Central Government u/s 148(1) of the Companies Act, 2013. Hence reporting under clause 3(vi) of the Order is not applicable.
7. According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, ESI, Investor Education and Protection Fund, Sales-tax, Wealth tax, Service Tax, Income Tax, Customs duty, VAT, etc.

According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service Tax, Excise and Wealth tax which have not been deposited with the appropriate authorities on account of any dispute.

8. In our opinion and according to the information and explanations given to us, There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and debenture holders. The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
10. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year under review.

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

According to the information and explanations given to us, no report under sub section 12 of the section 143 of the Companies Act has been filed by the auditor in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rule 2014 with the Central Government.

As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

12. The Company is not a Nidhi Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable indian accounting standards.
14. As explained to us, the Company has not installed an Internal Audit System as the same is not mandated owing to the size of the Company and the scale of its operations.
15. According to the information and explanations given to us, the Company has not entered into any noncash transactions with directors or persons connected with them.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. The Company has incurred cash losses of ₹0.44 lakhs in the current financial year and cash losses of ₹21.27 lakhs in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
19. On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. Since the provisions of Section 135 of the Companies Act, 2013 with regard to corporate social responsibility are not applicable to the company hence clause 3(xx) of the Order is not applicable.
21. The Company is not required to declare any consolidated financial statements, hence the auditor is not required to report on the same.

For N.K. Gaba & Co.

Chartered Accountants

Firm Registration Number 003684N

Sd/-

(N.K. Gaba)

Partner

Memb. No. 82375

UDIN : 24082375BMFYIV6212

Place : Phagwara

Dated : 28th May, 2025

Scott Industries Limited, Phagwara

BALANCE SHEET AS ON 31ST MARCH, 2025

	NOTE	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
ASSETS			
1. NON CURRENT ASSETS			
Property, Plant and Equipment	1	45.69	45.69
Other non current assets	2	<u>0.18</u>	<u>0.18</u>
		45.87	45.87
2. CURRENT ASSETS			
Financial Assets			
(i) Trade Receivables	3	--	--
(ii) Cash & Cash Equivalents	4	<u>1.42</u>	<u>1.42</u>
		1.42	1.42
Total Assets		<u><u>47.29</u></u>	<u><u>47.29</u></u>
EQUITY AND LIABILITIES			
1. EQUITY			
(a) Equity Share Capital	5	440.14	440.14
(b) Other Equity	6	<u>(607.03)</u>	<u>(606.59)</u>
		(166.89)	(166.45)
2. LIABILITIES			
CURRENT LIABILITIES			
Financial Liabilities			
(i) Trade Payables	7	0.58	0.58
(ii) Other Current Liabilities	8	<u>213.60</u>	<u>213.16</u>
		214.18	213.74
TOTAL		<u><u>47.29</u></u>	<u><u>47.29</u></u>

The accompanying notes are integral part of these financial statements

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS

KK SARDANA
DHIRAJ SARDANA
BHAVDEEP SARDANA

Place : Phagwara
Dated : 28th May, 2025

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	NOTE	FOR THE YEAR ENDED 31.03.2025 (₹ LACS)	FOR THE YEAR ENDED 31.03.2024 (₹ LACS)
1. Revenue From Operations	9	-	-
2. Other Income	10	-	-
Total Revenue (I)		<u>-</u>	<u>-</u>
3. Expenses			
Employees Benefits Exps.	11	-	0.06
Depreciation & Amortisation	1	-	-
Other Expenses	13	0.44	21.21
Total Expenses (II)		<u>0.44</u>	<u>21.27</u>
4. Profit/Loss Before Tax (I-II)		(0.44)	(21.27)
5. Provision for Tax			
Current Tax		-	-
Deferred Tax		-	-
6. Profit/Loss for the Period		(0.44)	(21.27)
7. Other Comprehensive Income		-	-
8. Total Comprehensive Income		(0.44)	(21.27)
9. Earnings Per Share			
(i) Basic		(0.01)	(0.48)
(ii) Diluted		(0.01)	(0.48)

See accompanying notes to the Financial Statements

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS

KK SARDANA
DHIRAJ SARDANA
BHAVDEEP SARDANA

Place : Phagwara
Dated : 28th May, 2025

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

(₹ LACS)

A. EQUITY SHARE CAPITAL

Bal at beginning of reporting period, i.e. 1st April, 2023	Changes in Equity Share Capital during 2023-24	Balance at end of reporting period, i.e. 31st March 2024	Changes in Equity Share Capital during 2024-25	Balance at end of reporting period, i.e. 31st March 2025
440.14	–	440.14	–	440.14

B. OTHER EQUITY

	Bal at beginning of reporting period, i.e. 1st April, 2023	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2024
As at 31st March 2024					
Reserve & Surplus					
Profit & Loss Account	(585.32)	(21.27)	–	–	(606.59)
Total	(585.32)	(21.27)	–	–	(606.59)

	Bal at beginning of reporting period, i.e. 1st April, 2024	Total Comprehensive income of year	Dividend	Tax on Dividend	Balance at end of reporting period, i.e. 31st March 2025
As at 31st March 2025					
Reserve & Surplus					
Profit & Loss Account	(606.59)	(0.44)	–	–	(607.03)
Total	(606.59)	(0.44)	–	–	(607.03)

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS [KK SARDANA
DHIRAJ SARDANA
BHAVDEEP SARDANA

Place : Phagwara
Dated : 28th May, 2025

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

	For the Year Ended 31st March, 2025 (₹ lacs)	For the Year Ended 31st March, 2024 (₹ lacs)
A. NET PROFIT BEFORE TAX	(0.44)	(21.27)
Adjustments for		
Depreciation	-	-
Operating Profit before Working		
Capital Changes (A)	<u>(0.44)</u>	<u>(21.27)</u>
Adjustments for		
Receivables	-	20.63
Inventories	-	0.23
Current Assets	-	-
Current Liabilities	0.44	0.41
(B)	<u>0.44</u>	<u>21.27</u>
Cash Generated from Operations (A-B)	-	-
Income Tax for the period	-	-
NET CASH FROM OPERATING ACTIVITIES (C)	<u>-</u>	<u>-</u>
CASH FROM FINANCING & INVESTING ACTIVITIES		
Increase/Decrease in Fixed assets	-	-
Increase/Decrease in Security Deposits	-	-
Increase/Decrease in Share Capital	-	-
Increase/Decrease in Reserve & Surplus	-	-
NET CASH FROM FINANCING & INVESTING ACTIVITIES (D)	<u>-</u>	<u>-</u>
Net increase in Cash and Cash Equivalents (C+D)	-	-
Opening Cash and Cash Equivalents	1.42	1.42
Closing Cash and Cash Equivalents	<u>1.42</u>	<u>1.42</u>

Auditors' Report
As per our separate report of even date
For N.K. Gaba & Co.
Chartered Accountants,
Firm Registration Number 003684N
Sd/-
(N.K. Gaba)
Partner
Memb. No. 82375

For and On behalf of the Board

DIRECTORS

KK SARDANA
DHIRAJ SARDANA
BHAVDEEP SARDANA

Place : Phagwara
Dated : 28th May, 2025

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

FIXED ASSETS AS ON MARCH 31, 2025

NOTE : 1 (₹ LACS)

Particulars	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	Cost As on 01.04.2024	Additions	Cost As on 31.03.2025	Upto 31.03.2024	For the Year	Upto 31.03.2025	As on 31.03.2025	As on 31.03.2024
Land	44.17	--	44.17	--	--	--	44.17	44.17
Tubewell	30.49	--	30.49	28.96	--	28.96	1.52	1.52
Total	74.66	--	74.66	28.96	--	28.96	45.69	45.69

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
2. OTHER NON CURRENT ASSET		
Security Deposit	0.18	0.18
	<u>0.18</u>	<u>0.18</u>
3. TRADE RECEIVABLES		
Considered doubtful	206.32	206.32
Less : Provision for Bad debts	(206.32)	(206.32)
	<u>-</u>	<u>-</u>

(Amt. in ₹ lacs)

Particulars	Outstanding for following periods from due date of payment/date of transaction					Total
	Less than 180 days	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
FY 2024-25						
(i) Undisputed - considered good	-	-	-	-	-	-
(ii) Undisputed - considered doubtful	-	-	-	-	-	-
(iii) Disputed - considered good	-	-	-	-	-	-
(iv) Disputed - considered doubtful	-	-	-	-	206.32	206.32
	-	-	-	-	206.32	206.32
Less: Provision for doubtful debts						206.32
						<u>-</u>
FY 2023-24						
(i) Undisputed - considered good	-	-	-	-	-	-
(ii) Undisputed - considered doubtful	-	-	-	-	-	-
(iii) Disputed - considered good	-	-	-	-	-	-
(iv) Disputed - considered doubtful	-	-	-	-	206.32	206.32
	-	-	-	-	206.32	206.32
Less: Provision for doubtful debts						206.32
						<u>-</u>

4. CASH & CASH EQUIVALENTS		
Cash in Hand	0.01	0.01
Balance with Scheduled Banks - in Current accounts	1.41	1.41
	<u>1.42</u>	<u>1.42</u>
5. EQUITY SHARE CAPITAL		
AUTHORISED		
50,00,000 Equity Shares of ₹ 10/- each each fully paid	<u>500.00</u>	<u>500.00</u>
ISSUED, SUBSCRIBED & PAID UP		
4401400 Equity Shares of ₹ 10/- each fully paid (440000 Equity shares held by Holding Co.)	440.14	440.14
	<u>440.14</u>	<u>440.14</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

	AS ON 31.3.2025 (₹ LACS)	AS ON 31.3.2024 (₹ LACS)
6. OTHER EQUITY		
Profit brought forward	(606.59)	(585.32)
Add : Current Year Profit	(0.44)	(21.27)
Bal. carried over to B/S	<u>(607.03)</u>	<u>(606.59)</u>
7. TRADE PAYABLES		
Trade payable for Expenses	0.58	0.58
	<u>0.58</u>	<u>0.58</u>
8. OTHER CURRENT LIABILITIES		
Advances from Holding Co. (Unsecured)	213.60	213.16
	<u>213.60</u>	<u>213.16</u>
9. REVENUE FROM OPERATIONS		
	-	-
	<u>-</u>	<u>-</u>
10. OTHER INCOME		
Other Income	-	-
	<u>-</u>	<u>-</u>
11. EMPLOYEES BENEFITS EXPENSES		
Salary & Wages	-	0.06
	<u>-</u>	<u>0.06</u>
12. OTHER EXPENSES		
(a) Manufacturing Expenses	-	-
	-	-
(b) Administration, Selling & Other Expenses		
Postage, telegram & Telephone	0.03	0.02
Fees, Taxes and Registration	0.03	0.03
Legal & Professional	0.33	0.24
Audit Fees	0.06	0.06
Bank Charges	-	0.23
Provision for Doubtful Debts	-	20.63
	<u>0.44</u>	<u>21.21</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH, 2025

13. SIGNIFICANT ACCOUNTING POLICIES

(a) COMPARATIVE INFORMATION ON FIRST TIME ADOPTION OF IND AS

The Financial Statements for the year ended 31st March 2018 are the first to have been prepared in accordance with IND AS. Opening Balance Sheet as on 1st April 2016 and 31st March 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1st April 2016.

(b) Method of Accounting

The financial statements are prepared on accrual basis under the historical cost convention generally accepted accounting practice and applicable Indian Accounting Standards as well as the relevant provisions of Companies Act, 2013. However, certain escalation/claim which are not ascertainable or unacknowledged are accounted for on their being acknowledged.

(c) Inventory

Inventories are valued at cost or net realizable value, whichever is less.

(d) Depreciation

Depreciation is provided on Straight Line Method, Calculated as per the useful life provided under Companies Act, 2013.

(e) Fixed Assets

Fixed assets are stated at Original cost including duties, taxes, freight and any other incidental acquisition expenses and revenue expenditure incurred for the period prior to commercial production is considered as a part of the cost of assets.

- 14.** Since the company has stopped its operations from the last many years. so, the operating ratios could not be worked out.

15. Foreign Currency Transactions

There were no foreign currency transaction during the year.

16. RELATED PARTY DISCLOSURES

- (a) Party which significantly influence the Company :

M/S THE SUKHJIT STARCH & CHEMICALS LTD. PHAGWARA (HOLDING COMPANY)

- (b) Parties which are significantly influenced by the Company : NIL

- (c) No payments made to related party during the current year or the previous year.

- 17.** Previous Year's figures have been rearranged and regrouped wherever necessary.