

R.G.N. Price & Co.

CHARTERED ACCOUNTANTS

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Date: 21 May 2025

To,
The Members,
M/s. Bhadra Castalloy Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bhadra Castalloy Private Limited, (‘the Company’), which comprise the Balance Sheet as at 31st March 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 material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 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 Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note No. 27B of the financial statements mentioning expenses towards closure of operations and impairment losses as exceptional items which is to be read with Note No. 1.1. Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.1 in the financial statements, which indicates that the Board of Directors vide meeting dated 15th February 2025; decided to discontinue the operations of the Company with effect from 28th February 2025. These events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Board of Directors 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 the Board of Directors 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 scepticism throughout the audit. We also:

- a. 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.

- b. Obtain an understanding of internal control to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing an opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 upto the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue a going concern;
- e. Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 except for matters stated in para (f)(vi) below on reporting under Rule 11(g).
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act.
- (e) Refer to our paragraph ‘Material Uncertainty Related to Going Concern’ and ‘Emphasis of Matter’, in our view this will have adverse effect on the functioning of the Company;
- (f) On the basis of the written representations received from the directors as on 31st March 2025, taken on record by the Board of Directors, 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 Act.
- (g) With respect to the adequacy of the internal financial controls with respect to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. We have not modified our opinion on the operating effectiveness of such controls.
- (h) This being a private company the provisions of Section 197 do not apply.
- (i) The reservation made in related to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above under Section 143(3)(b) and paragraph (f)(vi) below under Rule 11(g).
- (j) 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:
 - a. The Company does not have any pending litigations which would impact its financial position
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
 - d. (i) The Management has represented that, to the best of it’s knowledge and belief, other than 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The Management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes to the 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- e. The Company has neither declared nor paid any dividend during the year.
- f. 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 audit trail and there were no traces of it being tampered with. We further report that the Company has preserved the audit trail.

For R.G.N. Price & Co.,
Chartered Accountants
Firm’s Registration No. 002785S

Aditya Kumar S
Partner
Membership Number: 232444
Place of Signature: Chennai
Date: 21st May 2025
UDIN: 25232444BMOVTV7199

Annexure A referred to in Paragraph 1 of Audit Report of M/s. Bhadra Castalloy Private Limited under Clause 3 of Companies (Audit Report) Order, 2020:

- (i) (a) In respect of Property, Plant and Equipment ('PPE') and Intangible Assets:

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of PPE;

(B) The Company has maintained proper records showing full particulars of intangible assets;

- (b) The PPE are physically verified by the Management on yearly basis, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the physical verification, no material discrepancies have been noticed.
- (c) The title deeds pertaining to the immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements except in case of:

Description of immovable property	Gross carrying Value (Rs in Million)	Held in the name of	Whether promoter, director or their relative or employee?	Period held indicate range, where appropriate	Reason for not being held in name of Company
Land at Bhadravathi	30.2	Bhadra Castalloys Private Limited	No	From the inception i.e 2015	This is only a minor change in the spelling of the Company which needs to be rectified.

- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) Based on the information and explanations made available to us and based on the documents verified including enquires with the Management and the representation, there are no proceedings that have been initiated or pending against the Company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988), and rules made thereunder.

- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. We did not observe discrepancies of 10% or more in the aggregate of inventory.
- (b) The Company during the year did not have sanctioned working capital limits in excess of Rupees Five Crores, in aggregate, from banks and financial institutions on the basis of security of current assets. Hence, there were no requirement to furnish periodic returns/statements to be filed by the Company.
- (iii) The Company, during the year, has not made investment in or has given guarantee or granted any loans or advances which are characterised as loans, unsecured or secured, to LLPs, firms or companies or any other person. Hence, the reporting under this clause will not apply.

- (iv) The Company has not given loans, or has invested or has given guarantees and security to any parties covered under the Sections 185 and Section 186 of the Companies Act.
- (v) The Company has not accepted any deposits or deemed deposits in compliance to the provisions prescribed for accepting deposits under section 73 to 76 of Companies Act, 2013.
- (vi) The maintenance of cost records specified by the central government under sub section (1) of the section 148 of the Companies Act 2013 is not applicable to the Company for the period ended 31 March 2025 and accordingly reporting under sub-clause (vi) of clause 3 of the Order does not apply.
- (vii)
 - (a) The Company is regular in depositing undisputed statutory dues including goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues to the appropriate authorities, to the extent it is applicable.
 - (b) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, there are no disputed statutory due including, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities, which are due for more than six months as on the balance sheet date, to the extent it is applicable.
- (viii) Based on our examination of records and inquiry with the Management, there are no transactions in the nature of undisclosed income or income surrendered which needs to be accounted in the books of accounts.
- (ix)
 - (a) Based on our examination of records and inquiry with the Management, the Company has not been declared a defaulter by any bank, financial institution or any other lender.
 - (b) The Company had taken term loans payable on demand from holding company/parent company in the previous financial years, and based on our examination of records, these were applied for the purpose for which the loans were obtained.
 - (c) Based on the examination of records and review of the accounting ratios, as disclosed in Note No.35 of the financial statements, in our view the short-term funds have not been used for long-term purposes.
 - (d) The Company has not raised money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures.
 - (e) The Company does not have any subsidiary, joint venture or associate, hence the reporting under this clause does not arise.
- (x)
 - (a) The Company has not raised funds from any public offer (equity or debt capital) and hence reporting under this clause does not arise.
 - (b) The Company has not any made private placement or preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year, and hence reporting under this clause does not arise.
- (xi)
 - (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the

information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed and reported during the year, nor have we been informed of any such case by the Management.

- (b) In continuation with the reporting in the above clause, there were no report(s) under sub-section (12) of section 143 of the Act has been filed by us in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on our examination of records, inquires with the Management, and based on the information and explanations given to us, there were no whistle-blower complaints received during the year by the Company; hence reporting under this clause would not arise.
- (xii) The Company is not a Nidhi Company and therefore the reporting under this clause is not applicable.
- (xiii) In our opinion and as per the information and explanations given to us, transactions with the related parties have been disclosed as required by Ind AS 24 'Related Party Transactions' and are in compliance with Section 188 of the Act. The provisions of Section 177 of the Act does not apply since this being a private limited company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
(b) The reports of the Internal Auditors for the period under audit were considered by the us in forming our opinion on the financial statements.
- (xv) According to the information and explanation provided to us and based on our examination of records, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934), and hence reporting under this clause does not apply.
- (xvii) The Company has not incurred any cash losses either in this financial year or in the preceding financial year.
- (xviii) There has been no resignation of statutory auditors and hence reporting under this clause does not apply.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) There were no amount required to be spent under sub-section (5) of section 135 of Act, hence reporting under this clause does not apply.
- (xxi) The Company does not have any subsidiary and hence reporting under this clause does not arise.

For R.G.N. Price & Co.,
Chartered Accountants
Firm's Registration No. 002785S

Aditya Kumar S
Partner
Membership Number: 232444
Place of Signature: Chennai
Date: 21st May 2025

Annexure B referred to in Clause (f) of Paragraph of Report on Other Legal and Regulatory Requirements of our report of even date

Opinion

We have audited the internal financial controls with respect to financial statements of Bhadra Castalloy Private Limited ('the Company') as of 31st March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

According to the information and explanations given to us and based on our audit, in our opinion the Company has, in all material respects, an adequate internal financial controls with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31 March 2025 based on the internal control with reference to financial statements criteria established by the Company considering the essential components of the internal control stated in the Guidance Note of Internal Financial Controls over Financial Reporting issued by Institute of Chartered Accountants of India.

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 with respect to financial statements 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 with respect to financial statements reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards of Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 with respect to financial statements 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 with respect to financial statements and their operating effectiveness.

Our audit of internal financial controls with respect to financial statements included obtaining an understanding of internal financial controls with respect to financial statements, 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 with respect to financial statements.

Meaning of Internal Financial Controls with respect to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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.

For R.G.N. Price & Co.,
Chartered Accountants
Firm's Registration No. 002785S

Aditya Kumar S
Partner
Membership Number:232444
Place of Signature: Chennai
Date: 21st May 2025