



Independent Auditor's Report

To,
The Members of
GUJARAT WEDGE WIRE SCREENS LIMITED,
BARODA.

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **Gujarat Wedge Wire Screens Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including 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 aforesaid Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditors' Responsibilities for the Audit of the Ind AS 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 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 audit opinion on the Ind AS financial statements.

Emphasis of Matter

Material uncertainty related to going concern

a) We draw attention in the financial statements, that Company's current liabilities exceeds its current assets as at March 2023. The Company is having negative net worth as at March 2023. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, as there is a net cash profit of 36.44 Lacs during the year ended 31st March 2023, revised business plan is in place and work orders in hand, Management is of the view that the going concern basis of accounting is appropriate.

b) We drawn attention to the note no. 26 in financial statement. Company has paid Director Sitting Fees during the year. This sitting fee is paid to whole time director which is over and above the director's remuneration. This sitting fee is not considered in the calculation of remuneration as per section 197(2) of the Companies Act, 2013.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the Ind AS financial statements and our auditors' report thereon.

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

Responsibilities of Management for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.

Auditors' Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 Ind AS 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 Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence obtained by us are sufficient and appropriate to provide a basis for our audit opinion on the financial statement.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year

ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) Section 143 of Act, we give in the "Annexure A", a statement on the matters specified in paragraph 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 appears from our examination of those books ***except party balances are subject to confirmation.***
 - c. The Balance Sheet, the Statement of Profit & Loss, 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, ***except those disclosures as required as per IAS-19 on Employee Benefits are not made.***
 - e. On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of 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, 2023 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 included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to our best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note No. 27 to the Financial Statement.
 - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii) There has not been occasion in case of the Company during the year under the report to transfer any sums to the Investor Education and Protection Fund.
 - iv) (a) The management has represented that, to the best of its knowledge and belief, 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;

(b) The management has represented that, to the best of its knowledge and belief, 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

(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement

v. The Company does not declare any dividend during the year and during the previous financial year

vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

**For C. N. Patel & Co.
Chartered Accountants
Firm Registration No. 112552W**

**Place: Nagpur
Date: 04.09.2023**

**Amit Kurani
Partner
Membership No. 111132
UDIN- 23111132BGTSTW4876**

Annexure A to the Independent Auditors' Report – 31st March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

1. In respect of the Company's property plant and equipment's:

- (a) The company has the basic records showing full particulars, including quantitative details and situation of Fixed Assets. However, these records need to be organized so as to identify all costs with individual assets and also show the location and work out written down value of each item.
- (b) Fixed Assets have not been physically verified by the management at reasonable intervals; hence material discrepancies, if any, were not verified.
- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed (state any other relevant document which evidences title) provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment, capital work-in progress and investment property and non-current assets held for sale) are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible asset during the year. The Company does not have any intangible assets.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

2. In respect of company's stock:

- (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification. However, report of such physical verification was not made available for verification.
 - (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.
3. According to the information and explanation given to us, the Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year covered in register maintained under Sec. 189 of the Companies Act 2013. Therefore clause (a) (b) (c) (d) (e) & (f) are not applicable.
4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph (iv) of the order is not applicable.
5. According to the information and explanation given to us, the company has not accepted any deposits during the year. Hence the provisions of clause 3(v) are not applicable to the company.

6. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India. The maintenance of cost records has been prescribed u/s 148(1) of the Act, however prescribed records have not been maintained by the Company.

7. In respect of statutory dues:

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

Details of outstanding statutory dues for more than 6 months were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

Nature of Statute & Dues	Amount. Rs.
Service Tax	3,44,811.00

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the Amount Relates	Forum where Dispute is Pending	Remarks, if any
Central Sales Tax Act	Assessment Dues	24,05,136	2015-16	In the Gujarat Value Added Tax Tribunal at Ahmedabad	Appeal admitted, stay against recovery granted till final disposal of appeal.

Net of Rs. 7,10,111 paid under protest

8. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

9. In respect of borrowings:

- (a) According to the records of the Company examined by us and as per the information and explanations given to us the company has not defaulted in repayment of dues to financial institution or bank or debenture holders. (No debentures issued by the company).

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
10. (a) As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments). No term loans are raised by the company during the year.
- (b) The Company has made preferential allotment of shares during the year. For such allotment of shares we further report that the requirements of Section 42 and 62 of the Companies Act, 2013 have been complied with and the funds raised have not been utilised by the Company during the year. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.
11. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and up to the date of this report)
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 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. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We were unable to obtain on timely basis any of the internal audit reports of the Company issued for the period under audit, hence we were unable to consider the internal audit reports in our audit.
15. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
16. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
17. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios disclosed in note to the financial statements, 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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.

20. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
21. The reporting under clause 3(xxi) of the order is not applicable in respect of audit of standalone financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

Place: Nagpur
Date: 04.09.2023

For C. N. Patel & Co.
Chartered Accountants
Firm Registration No. 112552W

Amit Kurani
Partner
Membership No. 111132
UDIN- 23111132BGTSTW4876

“Annexure-B” Report on the Internal Financial Controls 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 (‘Financial Controls’) of Gujarat Wedge Wire Screens Limited (“the Company”) in conjunction with our audit of the Company for the year ended March 31, 2023.

Management’s Responsibility for Internal Financial Control

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal 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 and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the group 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 group'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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31.03.2023:

- a) The company did not have an appropriate internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales which could potentially result in the company recognising revenue without establishing reasonable certainty of ultimate collection.
- b) The company did not have an appropriate internal control system for inventory with regard to receipts, issue for production and physical verification. Further the internal control system for identification and allocation of overheads to inventory was also not adequate. These could potentially result in material misstatements in the company's trade payables, consumption, inventory and expense account balances.

A 'material weakness' is a deficiency or a combination of deficiencies in internal financial control over financial reporting, such that there is a reasonable possibility that material misstatements of the company's annual financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/ possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has maintained, in all material respects, adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issues by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of 31.03.2023 and these material weaknesses does not affect our opinion on the financial statements of the company.

**For C. N. Patel & Co.
Chartered Accountants
Firm Registration No. 112552W**

**Place: Nagpur
Date: 04.09.2023**

**Amit Kurani
Partner
Membership No. 111132
UDIN- 23111132BGTSTW4876**

GUJARAT WEDGE WIRE SCREENS LTD.
CIN- U27100GJ1978PLC003252
BALANCE SHEET AS AT 31ST MARCH 2023

(All amounts in Rs. Thousands, unless otherwise stated)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<u>Assets</u>			
<u>Non-Current Assets</u>			
(a) Property, Plant & Equipment	2	4,641.50	4,040.22
(b) Capital work in progress		-	-
(c) Investment properties		-	-
(d) Other Intangible assets		-	-
(e) Financial assets			
Investments		-	-
Trade receivables		-	-
(e) Deferred tax assets (net)	3	3,875.16	3,802.13
(f) Other non-current assets	4	896.86	122.86
		9,413.52	7,965.21
<u>Current Assets</u>			
(a) Inventories	5	7,845.47	4,897.89
(b) Financial Assets			
(i) Trade receivables	6	1,359.98	2,311.41
(ii) Cash & Cash equivalents	7	1,400.77	242.62
(iii) Bank balances other than ii above	8	786.69	4.00
(iv) Other financial assets	9	225.84	255.03
(c) Current Tax Assets (net)		-	-
(d) Other Current Assets	10	900.39	497.94
		12,519.14	8,208.89
Total Assets		21,932.66	16,174.10
<u>Equity & Liabilities</u>			
<u>Equity</u>			
(a) Equity share capital	11	9,000.00	8,201.00
(b) Instruments entirely equity in nature		-	-
(c) Other equity	12	-12,148.71	-15,378.53
		-3,148.71	-7,177.53
<u>Liabilities</u>			
<u>Non-Current Liabilities</u>			
(a) Financial Liabilities	13	7,542.96	8,783.86
(b) Provisions		-	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
		7,542.96	8,783.86
<u>Current Liabilities</u>			
(a) (i) Financial Liabilities	14	7,754.94	7,313.45
(a) (ii) Trade Payables	15		
a) total outstanding dues to micro enterprises and small enterprises		4,822.22	2,562.64
b) total outstanding dues to creditors other than micro enterprises and small enterprises		2,026.63	2,406.85
(b) Other current liabilities	16	1,290.96	1,770.73
(c) Provisions	17	1,184.63	310.44
(d) Current Tax Liabilities (Net)		459.04	203.64
		17,538.41	14,567.76
Total Equity & Liabilities		21,932.66	16,174.10

Notes to the financial statements

The notes referred to above form an integral part of the financial statements 1 to 45.

For and on behalf of the Board of Directors
Gujarat Wedge Wire Screens Limited

Giriraj Bhojrajji Joshi
DIN-08867450
Director

Rajiv Kisanlal Singhee
DIN- 01822666
Whole Time Director

Place :- Vadodara
Date: 04.09.2023

As per our report of even date
For C. N. Patel & Co.
Chartered Accountants
FRN: 112552W

Amit Kurani Partner
M. No. 111132
Place :- Nagpur Date:04.09.2023
UDIN- 23111132BGTSTW4876

GUJARAT WEDGE WIRE SCREENS LTD.
CIN- U27100GJ1978PLC003252
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2023

(All amounts in Rs. Thousands, unless otherwise stated)

PARTICULARS	Note No.	Figures as at the end of current reporting period	Figures for the previous reporting period
I Revenue from Operations	18	37,283.64	25,808.40
II Other Income	19	185.53	509.10
III Total Income		37,469.18	26,317.51
IV Expenses			
Cost of Materials Consumed	20	19,639.08	13,266.46
Changes in Inventories	21	-1,766.06	-807.78
Manufacturing & Direct Expenses	22	8,255.10	6,231.35
Employee Benefits Expenses	23	2,782.32	1,691.05
Finance Costs	24	744.78	782.81
Depreciation and Amortization Expense	25	960.96	1,090.60
Other expenses	26	4,169.78	2,855.60
Total Expense (IV)		34,785.96	25,110.10
V Profit/(loss) before exceptional items and tax (I-IV)		2,683.21	1,207.41
VI Exceptional Items		-	-
VII Profit/ (loss) after exceptions items and tax(V-VI)		2,683.21	1,207.41
VIII Tax Expense			
Current tax		464.25	205.55
Less: MAT Tax Credit		-418.58	-188.36
Earlier Year Income Tax		7.08	6.24
Deferred Tax Liability/(Asset)	3	-73.03	317.39
Profit (Loss) for the period from continuing operations (VII-VIII)		2,703.50	866.58
X Profit/(loss) from discontinued operations		-	-
XI Tax expenses of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit/(loss) for the period (IX+XII)		2,703.50	866.58
XIV Other comprehensive income			
Items that will not be classified to P&L			
Remeasurement gain/(losses) on defined benefit plan		-	-
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period)		2,703.50	866.58
XVI Basic and diluted earnings per equity share of face value of Rs 10 each (In Rs.)	27	3.14	1.05

Notes to the financial statements

The notes referred to above form an integral part of the financial statements 1 to 45.

For and on behalf of the Board of Directors
Gujarat Wedge Wire Screens Limited

As per our report of even date
For C. N. Patel & Co.
Chartered Accountants
FRN: 112552W

Giriraj Bhojrajji Joshi **Rajiv Kisanlal Singhee**
DIN-08867450 **DIN- 01822666**
Director **Whole Time Director**

Amit Kurani (Partner)
M. No. 111132
UDIN- 23111132BGTSTW4876
Place:- Nagpur **Date: 04.09.2023**

Place :- Vadodara
Date: 04.09.2023

GUJARAT WEDGE WIRES SCREEN LTD.**CIN- U27100GJ1978PLC003252****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023****(All amounts in Rs. Thousands, unless otherwise stated)**

PARTICULARS	Figures as at the end of current reporting period	Figures for the previous reporting period
A. CASH FLOW FROM OPERATING ACTIVITY:		
Net profit /(loss) before extraordinary items and tax	2,703.50	866.58
Adjusted for:		
Depreciation	960.96	1,090.60
Deferred Tax	-73.03	317.39
Interest and Financial Charges	744.78	782.81
Interest Received	-3.65	-1.41
Profit on sale of asset	-	-145.00
Operating profit before working Capital changes	4,332.55	2,910.97
Changes in Working Capital		
Adjustment for (increase) /decrease in operating asset		
Inventories	-2,947.58	-1,704.74
Accounts Receivables	951.43	859.25
Current Financial & Other Asset	-1,155.95	-488.47
Non Current Financial & Other Asset	-774.00	2.50
Adjustment for increase /(decrease) in operating liabilities		
Trade payable	1,879.36	879.64
Current & Non Current Provisions	874.18	20.38
Current Financial & Other Liabilities	-1,720.68	-1,007.09
Non Current Financial & Other Liabilities	-	-
Cash generated from operations	1,439.31	1,472.43
Less: Taxes paid	255.40	53.89
Net cash from operating activities	1,694.71	1,526.32
B. CASH FLOW FORM INVESTING ACTIVITY:		
Purchase of fixed Assets	-1,562.24	-292.74
Sale of fixed asset	-	145.00
Cash generated from/(Used in) investing activities	-1,562.24	-147.74
C. CASH FLOW FORM FINANCING ACTIVITY:		
Issue of Shares	799.00	-
Share Premium	526.32	-
Right Issue Share Application Amount (Refund Pending)	782.69	-
Interest received	3.65	1.41
Proceeds from/(Repayment of) Short Term Borrowings	441.48	-422.75
Finance Cost	-744.78	-782.81
Cash generated from/(Used in) financing activities	1,808.37	-1,204.16
Net increase/ (decrease) in cash generation for the year	1,940.84	174.42
Cash and Cash equivalent at the beginning of the year	246.61	72.19
Cash and Cash equivalent at the end of the year	2,187.46	246.61
Cash and cash equivalent comprise		
Cash on Hand	1.22	14.65
Bank Balances with Scheduled Banks	2,186.24	231.96
Cash and cash equivalent comprise as per note	2,187.46	246.61
	-	-

For and on behalf of the Board of Directors
Gujarat Wedge Wire Screens Limited

As per our report of even date
For C. N. Patel & Co.
FRN: 112552W

Giriraj Bhojrajji Joshi
DIN-08867450
Director

Rajiv Kisanlal Singhee
DIN- 01822666
Whole Time Director

Amit Kurani (Partner)
M. No. 111132

Place :- Vadodara
Date: 04.09.2023

Place:- Nagpur
Date: 04.09.2023
UDIN- 23111132BGTSTW4876

GUJARAT WEDGE WIRES SCREEN LTD
For the Year Ended 31.03.2023

Summary of the significant accounting policies and other explanatory information for the year ended 31 March 2023

Note-1: General Information

a) Company Overview

Gujarat Wedge Wire Screens Limited (the “Company”) is public limited Company domiciled in India. Company’s manufacturing facilities are at Halol, Baroda, Gujarat. Company is engaged in business of manufacturing and selling of wedge wire screens. The operation of the Company is mainly in Gujarat State.

b) Basis for preparation of financial Statements

The separate financial statements have been prepared to comply in all material aspects with the Accounting Standards notified under Section 133 of Companies Act, 2013 (the “Act”) as per Companies (Indian Accounting Standards (Ind AS)) Rules, 2015 and other relevant provisions of the Act and rules framed there under.

The financial statements up to year ended 31 March 2016 were prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with the Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements have been prepared on a historical cost convention and accrual basis. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria asset out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and

c) Functional and presentation currency

The financial statements are presented in Indian rupees, which is the Company’s functional currency.

d) Significant management judgements in applying accounting policies and estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized.
- Impairment of Property, Plant and Equipment’s
- Recognition and measurement of defined benefit obligations
- Recognition of deferred tax assets
- Discounting of long-term financial liabilities
- Fair value of financial instruments
- Provisions and Contingent Liabilities

e) Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Note:2 Significant Accounting Policies**a) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent cost are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance expenses are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 01 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

b) Depreciation/Amortisation

- i. Depreciation on fixed assets have been provided based on straight line method over the useful lives of assets as prescribed under Schedule II of the Companies Act, 2013. Depreciation on additions/deletion to fixed assets during the year is provided on a pro-rata basis. Intangible assets are amortised on straight line basis over a period of 10 years in line with AS-26.

c) Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceeds the estimated recoverable amount, impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at re-valued amount, in which case any impairment loss of the re-valued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss

d) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is estimated selling price in ordinary course of business less the estimated cost necessary to make the sale.

If payment for inventory is deferred beyond normal credit terms then cost is determined by discounting the future cash flows at an interest rate determined with reference to market rates. The difference between the total cost and the deemed cost should be recognised as interest expense over the period of financing under the effective interest method.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalents are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

f) Financial Instruments

i) Financial Assets

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

Subsequent measurement

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

(a) Financial Assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate (“EIR”) method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

(b) Financial Assets measured at fair value

Financial assets are measured at fair value through other comprehensive income (FVOCI) if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss.

(c) Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss.

Impairment of Financial Asset

In accordance with Ind AS 109, the Company applies the expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets and credit risk exposures.

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk.

Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recorded as expense/ income in the Statement of Profit and Loss.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, the year classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

g) Provisions and Contingent Liabilities

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

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Such liabilities are disclosed by way of notes to the financial statements. No disclosure is made if the possibility of an outflow on this account is remote.

h) Revenue Recognition

Sales are recognised when goods are supplied and significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods. Sales are measured at the fair value of the consideration received or receivable including of excise duty and net of returns, trade discounts, rebates and sales taxes.

i) Employee benefits

Defined contribution plan

The Company's contribution to Provident Fund and Employees State Insurance Scheme is determined based on a fixed percentage of the eligible employees' salary and charged to the Statement of Profit and Loss on accrual basis. The Company has categorised its Provident Fund, labour welfare fund and the Employees State Insurance Scheme as a defined contribution plan since it has no further obligations beyond these contributions.

Defined benefit plan

The Company's liability towards gratuity, being a defined benefit plan is accounted for on the basis premium payment towards the fund created with LIC of India.

Service cost and the net interest cost is included in employee benefit expense in the Statement of profit and loss. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in 'other comprehensive income' as income or expense.

Leave Encashment

Provision is made for leave encashment. The amount of such liabilities is estimated by management on the basis of relevant factors including remuneration of employees.

j) Borrowing Costs

Borrowing costs are interest and other costs that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k) Taxation

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity or in OCI.

i) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

ii) Deferred Tax

Deferred tax is recognized in respect of temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

l) Segment Reporting

The Company is engaged in business of Wedge Wire Screen from the single geographical location, which as per IAS considered as the only reportable business segment.

m) Earnings Per Share

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

n) RECENT ACCOUNTING PRONOUNCEMENTS

The Ministry of Corporate Affairs (“MCA”) notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

a) Ind AS 16 – Property, plant and equipment – The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022.

b) Ind AS 37 - Provisions, contingent liabilities and contingent assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 1st April, 2022, although early adoption is permitted.

c) Ind AS 103 – Business combinations – The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities.

d) Ind AS 109 – Financial instruments – The amendment clarifies which fees an entity includes when it applies the ‘10%’ test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf.

The Company is in the process of evaluating the impact of these amendments.

GUJARAT WEDGE WIRES SCREEN LTD.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(All amounts in Rs. Thousands, unless otherwise stated)

A Equity Share Capital

1 Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
8,201.00	-	8,201.00	799.00	9,000.00

2 Previous reporting period

Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
8,201.00	-	8,201.00	-	8,201.00

A Other Equity

(All amounts in Rs. Thousands, unless otherwise stated)

(1) Current reporting period

	Reserve & Surplus			Total Other Equity
	Retained Earnings	General Reserve	Equity Share Premium	
Balance as at April 1, 2022	-15,503.53	125.00	-	-15,378.53
Profit for the year	2,703.50	-	-	2,703.50
Received during the Year	-	-	526.32	526.32
Transfer from retained earnings	-	-	-	-
Transfer to General reserve	-	-	-	-
Other comprehensive income :	-	-	-	-
Balance as at March 31, 2023	-12,800.03	125.00	526.32	-12,148.71

GUJARAT WEDGE WIRES SCREEN LTD.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

(2) Previous reporting period

	Reserve & Surplus			Total Other Equity
	Retained Earnings	General Reserve	Equity Share Premium	
Balance as at April 1, 2021	-16,370.10	125.00	-	-16,245.10
Profit for the year	866.58	-	-	866.58
Transfer from retained earnings	-	-	-	-
Transfer to General reserve	-	-	-	-
Other comprehensive income :	-	-	-	-
Balance as at March 31, 2022	-15,503.53	125.00	-	-15,378.53

Nature & Purpose of reserves

General reserve:

The reserve is created out of surplus balance of profit of the Company and is a distributable reserve maintained by the company.

Accumulated Losses:

It pertains to accumulated losses of the Company incurred over the period.

For and on behalf of the Board of Directors
Gujarat Wedge Wire Screens Limited

As per our report of even date
For C.N. Patel & Co.
Chartered Accountants
FRN: 112552W

Giriraj Bhojrajji Joshi
DIN-08867450
Director

Rajiv Kisanlal Singhee
DIN- 01822666
Whole Time Director

Amit Kurani
Partner
M.No. 111132

Place :- Vadodara
Date: 04.09.2023

Date: 04.09.2023
Place: Nagpur
UDIN- 23111132BGTSTW4876

GUJARAT WEDGE WIRES SCREEN LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2 Property, Plant & Equipment

(All amounts in Rs. Thousands, unless otherwise stated)

Particulars	Lease hold Land	Factory Building	Housing Quarters	Plant and Equipment	Furniture and Fixtures	Vehicles	Tools & Equipment	Car	Computers	Total
Year Ended March 31, 2023										
Gross carrying amount										
Opening gross carrying amount as at April 1, 2022	560.00	3,771.66	175.44	19,879.70	939.39	39.30	40.29	2,421.42	945.36	28,772.56
Additions	-	-	-	1,353.44	19.30	-	-	-	189.50	1,562.24
Asset held for sale	-	-	-	-	-	-	-	-	-	-
Asset Written off	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Gross Carrying Amount as at March 31, 2023	560.00	3,771.66	175.44	21,233.14	958.69	39.30	40.29	2,421.42	1,134.87	30,334.80
Accumulated Depreciation										
Opening accumulated depreciation as at April 1, 2022	-	3,562.13	110.86	18,646.04	707.33	24.13	13.01	804.72	864.13	24,732.34
Depreciation charge for the year	-	2.52	4.90	267.60	62.75	3.93	7.06	504.90	107.31	960.96
Asset Written off	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation as at March 31, 2023	-	3,564.65	115.76	18,913.64	770.08	28.06	20.07	1,309.61	971.44	25,693.30
Net Carrying Amount as at March 31, 2023	560.00	207.01	59.68	2,319.50	188.62	11.24	20.22	1,111.81	163.43	4,641.50
Year Ended March 31, 2022										
Gross carrying amount										
Opening gross carrying amount as at April 1, 2021	560.00	3,771.66	175.44	20,615.51	939.39	39.30	40.29	2,421.42	896.22	29,459.23
Additions	-	-	-	243.59	-	-	-	-	49.14	292.74
Asset held for sale	-	-	-	-	-	-	-	-	-	-
Asset Written off	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	979.40	-	-	-	-	-	979.40
Closing Gross Carrying Amount as at March 31, 2022	560.00	3,771.66	175.44	19,879.70	939.39	39.30	40.29	2,421.42	945.36	28,772.56

GUJARAT WEDGE WIRES SCREEN LTD.
STATEMENT OF CHANGES IN PROPERTY, PLANT AND EQUIPMENTS FOR THE YEAR ENDED 31ST MARCH, 2023

2 Property, Plant & Equipment

(All amounts in Rs. Thousands, unless otherwise stated)

Particulars	Lease hold Land	Factory Building	Housing Quarters	Plant and Equipment	Furniture and Fixtures	Vehicles	Tools & Equipment	Car	Computers	Total
Opening accumulated depreciation as at April 1, 2021	-	3,559.25	105.56	19,384.65	627.14	18.83	3.47	70.54	851.72	24,621.14
Depreciation charge for the year	-	2.89	5.30	240.79	80.19	5.30	9.53	734.18	12.42	1,090.60
Asset Written off	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	979.40	-	-	-	-	-	979.40
Closing Accumulated Depreciation as at March 31, 2022	-	3,562.13	110.86	18,646.04	707.33	24.13	13.01	804.72	864.13	24,732.34
Net Carrying Amount as at March 31, 2022	560.00	209.53	64.58	1,233.67	232.06	15.17	27.29	1,616.70	81.23	4,040.22
Capital Work-in-Progress as at March 31, 2023	-	-	-	-	-	-	-	-	-	-
Capital Work-in-Progress as at March 31, 2022	-	-	-	-	-	-	-	-	-	-

General Notes:

1. No depreciation if remaining useful life is negative or zero.
2. If asset is used less than 365 days during current financial year then depreciation is equals to w.d.v as on 31-03-2023 less residual value.
3. Depreciation is calculated on pro-rata basis in case asset is purchased/sold during current F.Y.
4. If above assets is used for any time during the year for double shift, the depreciation will increase by 50% for that period and in case of the triple shift the depreciation shall be calculated on the basis of 100% for that period.
5. The Company has Perpetual lease contracts for Factory buildings (Leasehold land). The Company's obligations under its leases are secured by the lessor's title to the leased assets. No amount is recognised in profit or loss with respect to Leasehold Land.

GUJARAT WEDGE WIRES SCREEN LTD
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Notes Forming Part of The Financial Statement

(All amounts in Rs. Thousands, unless otherwise stated)

3	Net deferred tax assets/(liability)	31st March 2023	31st March 2022
	Deferred tax assets on :-		
	Any sum Payable as Cess, Tax, Duty	-	8.06
	Fixed Assets	206.90	-
	Unabsorbed depreciation	477.94	399.23
	Business losses	3,190.32	3,405.91
	Gross deferred tax asset (A)	3,875.16	3,813.20
	Deferred tax liability on :-		
	Fixed Assets	-	11.08
	Gross deferred tax liability (B)	-	11.08
	Net deferred tax assets/(liability) (A-B)	3,875.16	3,802.13
4	Non-Current Financial Assets-Others	31st March 2023	31st March 2022
	(Unsecured, considered good)		
	Other Deposits	101.77	101.77
	Earnest Money Deposit	21.09	21.09
	Prepaid Expenses	63.89	-
	Others	710.11	-
	Total	896.86	122.86
5	Inventories	31st March 2023	31st March 2022
	Raw Materials and Components (Refer Note-1 below)	3,593.01	2,411.50
	Work-in-progress (Refer Note-2 below)	3,482.79	1,138.37
	Finished goods	769.68	1,348.03
	Total	7,845.47	4,897.89
	Notes:-		
	1. Raw material and stock of consumables are valued lower of cost or net realisable value.		
	2. Work-in-progress and finished goods is valued at cost plus cost of conversion incurred to bring the inventory to their present condition .		
6	Current Financial Assets-Trade Receivables	31st March 2023	31st March 2022
	Trade Receivables	1,359.98	2,311.41
	Receivables from related parties	-	-
		1,359.98	2,311.41
	Less: Less: Impairment allowance	-	-
	Total	1,359.98	2,311.41
	Break-up of security details		
	Secured, considered good	-	-
	Unsecured, considered good	1,359.98	2,311.41
	Trade Receivables - credit impaired	-	-
	Trade Receivables which have significant increase in credit risk	-	-
	Total	1,359.98	2,311.41
	Impairment allowance		
	Unsecured, considered good	-	-
	Trade Receivables - credit impaired	-	-
	Trade Receivables which have significant increase in credit risk	-	-
	Total	-	-
	Total	-	-

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Trade Receivable ageing for 31.03.2023

Particulars	Not Due	Outstanding for following periods from due date of payment -March 31, 2023					
		< 6 Month	6 Month - 1Year	1-2 Year	2-3 Years	>3 Year	Total
(i) Undisputed Trade receivables - considered good	-	1,300.44	2.28	57.26	-	-	1,359.98
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total		1,300.44	2.28	57.26	-	-	1,359.98

Trade Receivable ageing for 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment -March 31, 2022					
		< 6 Month	6 Month - 1Year	1-2 Year	2-3 Years	>3 Year	Total
(i) Undisputed Trade receivables - considered good	-	2,307.22	4.19	-	-	-	2,311.41
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables—considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total		2,307.22	4.19	-	-	-	2,311.41

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7 Current Financial Assets-Cash and Cash Equivale	<u>31st March 2023</u>	<u>31st March 2022</u>
Cash on hand	1.22	14.65
Balances with Banks		
-in Current Account	1,324.64	156.72
-in Deposit Account	74.91	71.25
Total	1,400.77	242.62

8 Bank Balances other than above	<u>31st March 2023</u>	<u>31st March 2022</u>
Balances with Banks		
-in Current Account (Refer Note-1 below)		
Unclaimed Dividend Account	4.00	4.00
Right Issue Share Application Amount (Refund Pending)	782.69	-
Total	786.69	4.00

Note:

1. Balance represents in the respective account is unclaimed and refund pending.

9 Other financial asset	<u>31st March 2023</u>	<u>31st March 2022</u>
Creditor having debit balance	126.98	58.63
GST Tax Credit Recievable	98.86	46.40
Himalaya Industries	-	100.00
K.G. Bikram Techno Enterprises	-	50.00
Total	225.84	255.03

10 Current Assets-Others	<u>31st March 2023</u>	<u>31st March 2022</u>
(Unsecured, considered good)		
Staff Advances	45.09	58.49
Advance for company expenses	-	2.73
MAT Tax Credit	855.30	436.72
Total	900.39	497.94

GUJARAT WEDGE WIRES SCREEN LTD**For the Year Ended 31.03.2023****(All amounts in Rs. Thousands, unless otherwise stated)****11 Share Capital**

	As at 31st March 2023		As at 31st March 2022	
	Numbers	Amount	Numbers	Amount
(a) Authorised Share Capital				
Equity Shares of Rs. 10/- each	9,00,000	9,000	9,00,000	9,000
6% Non Convertible, Non Cumulative, Redeemable Preference Shares of Rs.10/- each	3,00,000	3,000	3,00,000	3,000
Total	12,00,000	12,000	12,00,000	12,000

(b) Issued, Subscribed and Fully Paid

Equity Shares of Rs. 10/- each	9,00,000	9,000	8,22,600	8,226
Less: Calls Unpaid- By others (Rs. 5 each)	-	-	-5,000	(25)
	9,00,000	9,000	8,17,600	8,201

(c) Movement of number of Shares & Share Capital**Equity Shares**

Shares outstanding at the beginning of the year	8,22,600	8,226	8,22,600	8,226
Shares Issued during the year	77,400	774	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	9,00,000	9,000	8,22,600	8,226

Preference Shares

Shares outstanding at the beginning of the year	2,20,000	2,200	2,20,000	2,200
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	2,20,000	2,200	2,20,000	2,200

(d) Details of shareholding of each shareholders holding more than 5% of shares

Particulars		Numbers	% holding	Numbers	% holding
(i) Equity Shares					
Anita Somani		1,01,966	11.33%	85,000	10.33%
Arvind Karnani		-	0.00%	1,05,000	12.76%
Asharam Traders Pvt. Ltd.		61,450	6.83%	-	0.00%
N Greenings Ltd.		1,20,000	13.33%	1,20,000	14.59%
Natasha Karnani		-	0.00%	61,450	7.47%
Nikita Karnani		73,716	8.19%	61,450	7.47%
Om Prakash Karnani		85,172	9.46%	71,000	8.63%
Rajiv Kisanlal Singhee		1,25,964	14.00%	-	0.00%

(ii) Preference Shares

Amita Jhavar		1,10,000	50.00%	1,10,000	50.00%
Anita Somani		1,10,000	50.00%	1,10,000	50.00%

GUJARAT WEDGE WIRES SCREEN LTD**For the Year Ended 31.03.2023****(All amounts in Rs. Thousands, unless otherwise stated)****(e) Details of Shares held by promoters****As at March 31, 2023****Equity shares of Rs. 10 each fully paid**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Anita Somani	85,000	16,966	1,01,966	11.33%	19.96%
Arvind Karnani	1,05,000	-1,05,000	-	0.00%	-100.00%
Arvind Karnani (HUF)	92	465	557	0.06%	505.43%
Natasha Karnani	61,450	-61,450	-	0.00%	-100.00%
Nikita Karnani	61,450	12,266	73,716	8.19%	19.96%
Om Prakash Karnani	71,000	14,172	85,172	9.46%	19.96%
Shalini Karnani	-	12,266	12,266	1.36%	100.00%

As at March 31, 2022**Equity shares of Rs. 10 each fully paid**

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares	% Change during the year
Amita Jhavar	45,000	-45,000	-	0.00%	-100.00%
Anita Somani	-	85,000	85,000	10.33%	100.00%
Arvind Karnani	62,900	42,100	1,05,000	12.78%	67.09%
Natasha Karnani	-	61,450	61,450	7.47%	100.00%
Nikita Karnani	-	61,450	61,450	7.47%	100.00%
Om Prakash Karnani	71,000	-	71,000	8.63%	0.00%

(f) Rights/Preference/restrictions attached to Equity Shares

The Company has only one class of equity shares having a par value of `10 per share. Each holder of equity shares is entitled to one vote per share. Any fresh issue of equity shares shall rank pari-passu with the existing shares.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

(g) Information regarding issue of shares in last 5 years

(i) The Company has issued 77,400 (Seventy Seven Thousand Four Hundred) Equity Shares of face value of Rs. 10/- each at premium of Rs. 6.80 per equity share as right issue to the existing equity shareholders on payment being received in Cash/Bank.

(ii) The company has not issued bonus shares.

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(All amounts in Rs. Thousands, unless otherwise stated)

12	<u>Other Equity</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	General Reserves	125.00	125.00
	Equity Share Premium	526.32	-
	Accumulated Losses	-12,800.03	-15,503.53
	Total	-12,148.71	-15,378.53
13	<u>Non Current Financial Liabilities- Borrowings</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	<u>Secured Borrowings</u>		
	<u>Term Loan</u>		
	Bank Of India (Covid Loan) (Refer Note 1 below)	161.60	500.20
	ICICI Bank Car Loan-17399 (Refer Note 2 below)	283.69	427.72
	ICICI Bank Car Loan-58743 (Refer Note 2 below)	892.64	1,075.24
	<u>Unsecured Borrowings</u>		
	<u>Other Loan</u> (Refer Note 3 a & b below)		
	From Directors	1,369.92	1,369.92
	From Corporates	3,758.59	3,758.59
	From Others	1,076.52	1,652.20
	Total	7,542.96	8,783.86

Secured Loan

1) Covid Loan facilities sanctioned by bank (Bank of India) is secured by hypothecation of stocks, book debts and Plant & Machinery and is further secured by equitable mortgage of Land & Building.

2) Term Loan facilities sanctioned by bank (ICICI Bank) is secured by hypothecation of Vehicles. Further repayable after one year.

Unsecured Loan

3) a. Amount was received during the Directorship of the concern person is not treated as 'Deposits' under the Companies Act, 2013 as per General Circular No. 05/2015 dated 30th March 2015 of the Ministry of Corporate Affairs.

b. Terms of borrowing are not being clearly defined, especially in relation to interest rates, repayment terms, and no formal agreement with the company. Hence consider as unsecured Interest free loan. These borrowings are not expected to be settled either within the operating cycle of the Company or 12 months from the reporting date and hence classified as non current financial liability.

14	<u>Current Financial Liabilities- Borrowings</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	<u>Preference Shares</u>		
	6% Non Convertible, Non Cumulative, Redeemable Preference Shares of Rs.10 each fully paid-up (Refer Note 1 below)	2,200.00	2,200.00
	<u>Loan repayable on demand</u>		
	<u>Secured Loan</u>		
	<u>Cash Credit Limit</u> (Refer Note 2- 4 below)		
	Bank Of India- Book Debt A/c.	2,980.26	2,999.98
	Bank Of India-Cash Credit A/c.	1,900.51	1,490.12
	<u>Term Loan</u>		
	Bank Of India (Covid Loan) (Refer Note 5 below)	347.55	322.38
	ICICI Bank Car Loan-17399 (Refer Note 6 below)	144.03	132.20
	ICICI Bank Car Loan-58743 (Refer Note 6 below)	182.60	168.77
	Total	7,754.94	7,313.45

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Notes:

1) Preference shares were redeemable on 03.07.2015 at par value. These Shares are neither redeemed nor rolled over. In the absence of any action, this is considered as current liability payable on demand at par value. However Management have a different view that, roll over date has been modified to 03.07.2027 and the same is supported by the Management Representation Letter.

Working Capital Loan from Bank

2) Working capital facilities sanctioned by bank (Bank of India) is secured by hypothecation of stocks, book debts and Plant & Machinery and is further secured by equitable mortgage of Land & Building.

3) The Company maintains inventory records & were physically verified during the year by the Management at regular intervals. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising of (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with banks or financial institutions are in agreement with such unaudited inventory workings of the respective interim periods.

4) The Indian rupee working capital loan from Bank carries interest rate of 9.35%.

Term Loan from Bank

5) COVID Term Loan facilities sanctioned by the bank is secured by equitable mortgage of Land & Building. Further repayable within one year.

6) Term Loan facilities sanctioned by the bank is secured by hypothecation of Vehicles. Further repayable within one year.

15 <u>Current Financial Liabilities-Trade Payables</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
Trade Payables		
i. total outstanding dues to micro enterprises and small enterprises (Refer Note below)	4822.22	2562.64
ii. total outstanding dues to creditors other than micro enterprises and small enterprises	2026.63	2406.85
Total	6,848.85	4,969.49

<u>Break up of trade payables</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
Trade payables other than related parties (including acceptances)	4873.76	4,811.21
Trade payables to related parties	1975.09	158.27
Total	6,848.85	4,969.49

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Trade payables ageing for 31.03.2023

Particulars	Not Due	Outstanding for following periods from due date of payment for March 31, 2023				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed dues- MSME	-	4,661.23	3.49	157.50	-	4,822.22
(ii) Undisputed dues- Others	-	2,003.35	23.27	-	-	2,026.63
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	-	6,664.58	26.76	157.50	-	6,848.85

Trade payables ageing for 31.03.2022

Particulars	Not Due	Outstanding for following periods from due date of payment for March 31, 2022				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
(i) Undisputed dues- MSME	-	2,405.14	157.50	-	-	2,562.64
(ii) Undisputed dues- Others	-	2,313.00	93.85	-	-	2,406.85
(iii) Disputed dues- MSME	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-
Total	-	4,718.14	251.35	-	-	4,969.49

Note :-

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” (MSMED Act) is based on the information available with the Company regarding the status of registration of such vendors under the said Act, and as per the intimation received from them on requests made by the Company. No interest is calculated and provided by the Company under the MSME Act. Interest if any payable to Micro and Small enterprises under Micro, Small & Medium Enterprises Development Act, 2006 is not ascertainable.

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16	<u>Current Financial Liabilities-Others</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Advances from customers	217.51	658.66
	Debtors having Credit Balance	528.01	40.00
	Statutory Liabilities	545.43	1,072.08
	Total	1,290.96	1,770.73
17	<u>Current Financial Liabilities- Provisions</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Provision for employee benefits		
	Salary & Reimbursements	288.42	212.60
	Right Issue Share App. Amount (Pending Refund)	782.69	-
	Provision for Expenses	113.51	97.85
	Total	1,184.63	310.44

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(All amounts in Rs. Thousands, unless otherwise stated)

18	<u>Revenue from Operations</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Sale of products:		
	Sale of Wedge Wire Screen (Net of Tax/Duty)		
	Domestic Sales	35,252.90	24,151.25
	Export Sales	2,030.74	1,657.15
	Total	37,283.64	25,808.40
19	<u>Other Income</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Interest on FD	3.65	1.41
	Account Written off	-	362.60
	Amount Written Back	181.88	-
	Round off	-	0.10
	Profit on sale of Fixed Asset	-	145.00
	Total	185.53	509.10
20	<u>Cost of materials consumed</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Raw Material Consumed :		
	Opening Stock	2,411.50	1,514.53
	Add: Purchase (Net)	20,820.60	14,163.42
	Less: Closing Stock	3,593.01	2,411.50
	Total	19,639.08	13,266.46
	<u>Changes in Inventories of finished goods,</u>		
21	<u>work-in-progress and Stock-in-Trade</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Closing Stock :		
	Finished Goods	769.68	1,348.03
	Work-in-progress	3,482.79	1,138.37
	Total (A)	4,252.46	2,486.40
	Opening Stock :		
	Finished Goods	1,348.03	685.24
	Work-in-progress	1,138.37	993.38
	Total (B)	2,486.40	1,678.62
	1000 Total (B-A)	-1,766.06	-807.78
22	<u>Manufacturing & Direct Expenses</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
	Labour charges	2,768.03	2,341.07
	Jobwork Expenses	1,028.21	711.54
	Power & Fuel Expenses	746.58	638.45
	Repair and Maintenance	1,147.57	1,065.15
	Factory Expenses	102.36	114.35
	Factory Security Gaud	325.00	296.00
	Freight & Carting Expenses	656.52	553.53
	Hire Charges	1.30	-
	Overtime	88.02	31.47
	Labour Welfare Expenses	11.86	75.81
	Packing & Forwarding Exp	337.80	342.42
	Export Consultancy Fees	965.00	-
	Testing Charges	7.35	8.85
	Water Charges	69.52	52.71
	Total	8,255.10	6,231.35

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(All amounts in Rs. Thousands, unless otherwise stated)

23 Employee Benefits Expenses	<u>31st March 2023</u>	<u>31st March 2022</u>
Salaries & Wages (Refer Note-1 below)	2,104.48	1,093.47
Provident and other funds	259.19	283.69
Staff Welfare Expenses	110.05	37.16
Bonus	253.48	251.70
Grauity	13.10	-
Uniform Expenses	14.68	-
Incentives	27.35	25.04
Total	<u>2,782.32</u>	<u>1,691.05</u>

Notes:

1) It includes salary of Rs. 4.68 Lacs paid to whole time Director Shri Madhuram Rathi in his professional capacity.

24 Finance Cost	<u>31st March 2023</u>	<u>31st March 2022</u>
Interest on secured loans	743.96	776.87
Other Interest Expenses	0.82	5.94
Total	<u>744.78</u>	<u>782.81</u>

25 Depreciation & Amortisation Expenses	<u>31st March 2023</u>	<u>31st March 2022</u>
Depreciation of Property, Plant & Equipment	0.96	1,090.60
Amrtisation of Intangible assets	-	-
Total	<u>0.96</u>	<u>1,090.60</u>

26 Other Expenses	<u>31st March 2023</u>	<u>31st March 2022</u>
Director Remuneration	294.00	461.50
Director Sitting Fees (Refer Note-1 below)	941.00	-
Repair and Maintenance	78.34	18.86
Insurance	16.50	41.29
Telephone and Internet Expenses	16.56	1.16
Postage & Courier Expenses	41.92	22.91
Audit Fees	50.00	50.00
Legal & Professional Fees	916.51	726.00
Legal & Professional Expenses	63.03	16.78
EGM Expenses	33.75	-
Right Issue Expenses	79.53	-
Professional Tax	2.50	-
Conveyance Expenses	196.12	185.26
Travelling Expenses	658.51	187.04
Bank Charges	73.33	33.65
Other administrative expenses	519.31	439.66
Web Site Maint.	80.51	121.95
Subscription Charges	31.95	-
Business/ Sales Promotional Expenses	-	160.00
Liquidated Damages	-	29.83
Advertisement Expenses	30.00	34.59
Commission	46.06	-
VAT/CST Paid	-	325.12
Round Off	0.36	-
Total	<u>4,169.78</u>	<u>2,855.60</u>

Notes

1) It includes amount of Rs. 9.06 Lacs paid to one of the whole time director as per the resolution passed in board meeting.

GUJARAT WEDGE WIRES SCREEN LTD
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(All amounts in Rs. Thousands, unless otherwise stated)

Notes

Auditor's Remuneration

a) Audit Fees	50.00	50.00
b) Tax Audit Fees	-	-
c) Other Matters	19.50	20.50

1000 Total	69.50	70.50
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27 <u>Earning Per Share</u>	<u>31st March 2023</u>	<u>31st March 2022</u>
Number of shares at the Beginning of the year	8,22,600	8,22,600
Number of shares at the end of the year.	9,00,000	8,22,600
Weighted Average number of Equity shares	-	-
Outstanding during the year	8,61,300	8,22,600
Adjusted Weighted Average number of Equity	-	-
Shares Outstanding during the year (Face Value 10/-)	8,61,300	8,22,600
(Loss)/Profit for the year (in Rs.'000)	2,703.50	866.58
Basic & Diluted EPS (in Rs.)	3.14	1.05

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Notes Forming Part Of The Financial Statement

(All amounts in Rs. Thousands, unless otherwise stated)

28 Contingent Liabilities

Particulars		31st March 2023	31st March 2022
a) Claims against the Company not acknowledged as debts		3,115.25	-
b) Disputed Claims pending in Courts		-	-
c) Guarantees given on behalf of the Company by banks		-	-
d) Other Contractual matters		-	-
Total		3,115.25	-

Note: The Company is contesting the demands and the management, including its tax/legal advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. Cash outflows for the above are determinable only on receipt of judgements pending at various forums/authorities. Amount paid under protest is kept under Non Current Asset.

29 Employee Benefits

i) Defined Contribution Plans:

The amount recognised as an expense during the year is Rs. 2.59 Lacs. Details of expenses recognised in P&L is as under:

Particulars	31st March 2023	31st March 2022
Employer's Contribution to Provident Fund	205.09	218.56
Employer's Contribution to Employees State Insurance	54.10	65.13

30 Related party disclosures

As per Ind AS 24 "Related party Disclosures", disclosure of transactions with the related parties as defined in the Accounting Standards are given below:

a) Names of related parties and description of relationship:

Key Management Personnel (KMP)	a) Rajiv Kishanlal Singhee (Chairman and Whole Time Director)
	b) Madhuram Satish Rathi (Whole Time Director)
	c) Giriraj Bhojrajji Joshi (Non Executive Director)
Relatives of Key Management Personnel	a) Swati Singhee
Companies in which KMP or their relative have significant influence	a) Bari (Prop. Smt. Swati Rajiv Singhee)

b) Disclosure of transactions with related parties referred in (a) above along with outstandings as at the year end.

Transactions

Nature of Relationship	Nature of Transaction	Transaction Amount	
		31st March 2023	31st March 2022
Key Management Personnel	Director Remuneration	294.00	461.50
	Director Sitting Fees	941.00	-
	Salary	468.00	149.99
	Rent Paid	-	59.50
	Conveyance Expenses	-	35.00
	Factory Expenses	-	21.00
	Loans Taken	-	280.00
	Loans Repaid	-	140.00
Relatives of Key Management personnel & Companies in which KMP or their relative have significant influence	Loans Taken	-	122.00
	Loan Repaid	100.00	160.00
	Revenue Expenses	-	5.90

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Balances Outstandings

Nature of Relationship	Nature of Transaction	<u>31st March 2023</u>	<u>31st March 2022</u>
Key Management Personnel	Unsecured Loan	1,369.92	1,369.92
	Director Remuneration	195.33	30.00
	Advances received towards expenses (Net)	1,779.76	141.78
Relatives of Key Management personnel & Companies in which KMP or their relative have significant influence	Unsecured Loan	-	5,410.79
	Towards Expenses	-	28.95

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All financial assets and financial liabilities of the Company are under the amortised cost measurement category at each of the reporting dates.

32. Fair Value Hierarchy

Category	Carrying Amount	Fair Value		
		Level-1	Level-2	Level-3
As on 31st March, 2023				
Financial Assets				
Non-Current financial assets-Others	122.86	-	122.86	-
As on 31st March, 2022				
Financial Assets				
Non-Current financial assets-Others	122.86	-	122.86	-

a) During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

b) The carrying amounts of Security deposits, other financial assets, fixed deposits with banks, current borrowings, trade payables and other current financial liabilities are considered to be approximately equal to their fair value, since those are current in nature

33. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. Company's senior management oversees the management of these risks. It is Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

a) Market risk

Market risk is the risk of any loss in future earnings, in realisable fair value or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of change in the interest rates, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

I. Interest rate sensitivity

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to Interest rate risk	As at March 31, 2023	As at March 31, 2022
Total borrowings	15,297.89	16,097.32
% of Borrowings out of above bearing variable rate of interest	45.06%	31.76%

Interest rate sensitivity

A change of 50 bps in interest rates would have following Impact on profit before tax:

	For the year ended March 31, 2023	For the year ended March 31, 2022
50 bp increase would decrease the Profit before tax by	34.46	22.56
50 bp decrease would increase the Profit before tax by	(34.46)	(22.56)

II. Foreign currency risk

The Company is not exposed to foreign currency risk as there are no foreign currency transactions.

b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities - borrowings, trade payables and other financial liabilities.

Liquidity risk management

Company's treasury department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

As on 31st March, 2023

Particulars	On Demand	Less than 1 year	More than 1 year	Total
Borrowings	5,554.94	0	2,200.00	7,754.94
Trade Payables	0	6,664.58	184.26	6,848.84
Total	5,554.94	6,664.58	2,384.26	14,603.78

As on 31st March, 2022

Particulars	On Demand	Less than 1 year	More than 1 year	Total
Borrowings	5,113.45	0	2,200.00	7,313.45
Trade Payables	0	4,718.14	251.35	4,969.49
Total	5,113.45	4,718.14	2,451.35	12,282.94

c) Credit risk

Credit risk arises from cash and bank balances, current and non-current financial assets, trade receivables and other financial assets carried at amortised cost.

Credit risk management

To manage credit risk, the Company periodically assesses the financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly. The Company uses a provision margin to compute the expected credit loss allowance for trade receivable.

Bank balances are held with only high rated banks. Trade receivables are generally recovered within the credit period. Accordingly, the provision for impairment is considered immaterial. Also, trade receivables are monitored on periodic basis for any non-recoverability of the dues.

The ageing of Trade Receivables is given in below format

Particulars	Not due	0-180 days	181-365 days	Above 365 days	Total
As on 31st March, 2023	0	1,300.44	2.27	57.26	1,359.97
As on 31st March, 2022	0	2,307.22	4.19	0	2,311.41

34. Capital Risk Management

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

35. The outbreak of Coronavirus (COVID-19) pandemic globally and in India has caused significant disturbance and slowdown of economic activity.

The Company has made an assessment of the impact of the pandemic on its operations and the carrying value of current and non-current assets and financial position based on the internal and external sources of information and indicators of economic forecasts. Based on such assessment, the Company is confident of recovering the carrying value of these assets as at March 31, 2023 and fulfil its obligations as and when they fall due.

The future impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

36. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006:

Particulars	31 st March 2023	31 st March 2022
Principal amount outstanding (whether due or not) to micro and small Enterprises	4,822.22	2,562.64
Interest due thereon	0	0
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	0	0
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0	0
The amount of interest accrued and remaining unpaid at the end of each accounting year	0	0
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually, paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	0	0

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

37. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

- i (a) repayable on demand; or
- ii (b) without specifying any terms or period of repayment,

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	0	0
Directors	0	0
KMPs	0	0
Related Parties	0	0

38. Capital-Work-in Progress (CWIP)

CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0	0	0	0	0

39. Financial Ratios

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason for variance
Current Ratio	Current Asset	Current Liabilities	0.71	0.57	24.90 %	NA
Debt-Equity Ratio	Total Debt	Shareholder's Equity	(4.86)	-2.24	116.63 %	Due to negative shareholders' equity
Debt Service Coverage Ratio	Earning available for Debt Service#	Debt Service^	3.13	1.64	90.63 %	Due to increase in Profit
Return on Equity Ratio	Net Profit after taxes	Average Shareholder's Equity	(52.36)	-11.39	359.87 %	Due to negative shareholders' equity
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	118.42 Days	111.30 Days	6.39 %	NA
Trade Receivable Turnover Ratio	Net Sales	Average Trade Receivable	17.97 Days	38.77 Days	-53.64 %	Due to early realisation of funds
Trade Payable Turnover Ratio	Net Purchases	Average Trade Payable	103.59 Days	116.73 Days	-11.26 %	NA
Net Capital Turnover Ratio	Net Sales	Average Working Capital	(7.43)	-4.06	83.02 %	Due to negative current ratio
Net Profit Ratio	Net Profit after Tax	Revenue from operation	7.25%	3.36%	115.95 %	Due to increase in Profit
Return on Capital Employed Ratio	Earnings Before Interest and Taxes	Average Capital Employed*	78.01%	123.90%	-37.04 %	Due to increase in Profit
Return on Investment Ratio	Non-operating income from investment	Average Investment**	-85.86%	-12.07%	611.15 %	Due to increase in Profit

Net Profit before Taxes+ Depreciation and Amortization+ Finance cost excluding Interest on Lease

* Tangible Net Worth + Total Debt + Deferred Tax Liabilities

**Investments includes Fixed Deposit

^ Finance cost + Interest on leases + Borrowing cost capitalised + Repayment made

40. Event after reporting date

There have been no events after the reporting date.

41. Recent other pronouncements:**Other recent pronouncements:**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Employee Benefit Plan. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on 13 November 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

42. The Company is yet to receive balance confirmations in respect of certain financial assets and financial liabilities. The Management does not expect any material difference affecting the current year's financial statements due to the same.

43. Other Statutory Information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any scheme of arrangements in terms of section 230 to 237 of the Companies Act 2013 during the year.
- (iii) The Company does not have any transactions with companies struck off.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The Company have not advanced or given loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ix) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (x) The Company has not been declared as Wilful defaulter by any Banks, Financial institution or other lenders.
44. Previous year's figures have been re-grouped/re-classified wherever required to conform to current year's classification. All figures of financials have been rounded to nearest lacs to thousands.
45. The financial statements were approved for issue by the Board of Directors on September 4, 2023.

For C. N. PATEL AND CO.
Chartered Accountants
Firm Regn No.: 112552W

Place: NAGPUR
Date: 04.09.2023

AMIT KURANI
PARTNER
Membership No: 111132
UDIN: 23111132BGTSTW4876