

Formerly Known as Supreme Heatreaters Pvt. Ltd.

Date: 6th September, 2024

The Manager,
Listing Compliance
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G, Bandra
Kurla Complex,
Bandra (E), Mumbai – 400 051
Symbol: **SUPREMEENG**

Dear Sir/Madam,
Ref.: NSE Symbol: SUPREMEENG

Sub: Submission of Annual Report for the financial year 2023-24

In pursuance of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, please find enclosed herewith the Annual Report of the Company for the financial year 2023-24 containing inter-alia the Notice convening the 37th Annual General Meeting to be held on Saturday, September 28, 2024 through physical mode, Board's Report with the relevant annexures, Audited Standalone Financial Statements, Auditors' Report, etc. for the financial year 2023-24.

Thanking You.
Yours sincerely,

For **Supreme Engineering Limited,**

Sanjay Chowdhri
Managing Director
DIN: 00095990

Place: Mumbai



Formerly Known as Supreme Heatreaters Pvt. Ltd.

Annual Report 2023-2024

Corporate Information

Board of Directors

Mr. Sanjay Chowdhri
Mr. Abhinav Sanjay Chowdhary
Mrs. Lalitha Sanjay Chowdhri
Mr. Prakash Vithalrao Deshmukh
Mr. Sanjeev Ishwari Khandelwal
Mrs. Priya Dilipbhai Shah

Chairman & Managing Director
Executive Director
Non-Executive-Non-Independent Director
Non-Executive-Independent Director
Non-Executive-Independent Director
Non-Executive-Independent Director

Chief Executive Officer

Mr. Pranav Chowdhri

Chief Financial Officer

Mr. Sadashiv Bangera

Statutory Auditors

S. R. Dhariwal & Co.
Chartered Accountants,
Mumbai.

Secretarial Auditors

HRU & Associates
Practicing Company Secretaries,
Mumbai

Main Bankers

Bank of India

Equity Share listed at

NSE [Symbol: SUPREMEENG]

Registrar and share transfer agent (Common Agency)

Office No. S6-2, 6th Floor, Pinnacle Business
Park, Next To Ahura Centre, Mahakali Caves
Road, Andheri (East), Mumbai-400093

Registered Office

R.223, MIDC Complex, Thane, Belapur Road,
Rabale, Navi-Mumbai- 400701

Registered Office – Rabale Unit

R-223, MIDC Complex, Thane Belapur Road,
Rabale, Navi Mumbai – 400701

Special Steel Division- Khopoli Unit

R.P. Chowdhri Marg, village Vihari, Opp.
Khopoli Railway Station, Khopoli- 410 203

NOTICE

Notice is hereby given that 37th **Annual General Meeting** of the members of the Company will be held on Saturday, 28th September, 2024 at 12:00 noon at Village Vihari, Opp. Khopoli Railway station, Khopoli, Navi Mumbai - 410 203, to transact the following business:

ORDINARY BUISNESS:

1. To consider and adopt the financial statements of the Company for the year ended March 31, 2024, together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint the Director in place of Ms. Lalita Chowdhri (DIN 00096419), who retire by rotation and being eligible offers herself for Re-appointment.
3. To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution for re-appointment of M/s S.A Dhariwal and Co., Chartered Accountants as the Statutory Auditors of the Company:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s M/s S.A Dhariwal and Co, Chartered Accountants (ICAI Firm Registration No. 102466W) be re-appointed as the Statutory Auditors of the Company to hold office for a second term of 5 (five) consecutive years from conclusion of the 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting of the Company, to be held for the financial year 2029-30, at such remuneration as may be determined by the Board of Directors.”

SPECIAL BUISNESS:

4. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2025.

To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs. 50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, as approved by the Board upon recommendation of the Audit Committee, to be paid to M/s. Dinesh Jain & Company, Cost Accountants (Firm Registration Number 100583) as Cost Auditors of the Company for conducting the cost audit for financial year 2024-25, be and is hereby ratified, confirmed and approved.”

5. To Increase the Authorised Share Capital of the Company and consequential amendment in Memorandum of Association of the Company.

To consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to section 13 read with section 61 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for increase in the Authorised Share Capital of the Company from existing Rs. 25,10,00,000/- (Rupees Twenty Five Crore Ten Lakh Only) divided into 25,10,00,000 (Twenty Five Crore Ten Lakh) Equity shares of Rs. 1/- each to Rs. 51,50,00,000/- (Rupees Fifty One Crore Fifty Lakh only) divided into 51,50,00,000 (Fifty One Crore Fifty Lakh) Equity shares of Rs. 1/- each ranking pari passu in all respect with the existing Equity Shares of the Company as per the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT pursuant to Section 13 and all other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded, for alteration of Clause V of the Memorandum of Association of the Company by substituting in its place and stead the following:-

- “V. The Authorised Capital of the Company is Rs. 51,50,00,000 (Fifty One Crore Fifty Lakh) divided into 51,50,00,000 (Fifty One Crore Fifty Lakh) equity shares of Rs. 1/- each with power to increase and/or reduce the capital of the Company as provided in the Articles of Association of the Company.”

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to do all such acts, deeds, matters and things and to take all such steps as may be required in this connection including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

6. Preferential Issue of Equity Shares on Private Placement basis:

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to Sections 42, 62 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force) (“the Act”) and the enabling provisions of the Memorandum of Association (“MOA”) and Articles of Association (“AOA”) of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (Takeover) Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the, Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and/ or any other

competent authorities (hereinafter referred to as 'Applicable Regulatory Authorities') to the extent applicable, and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and-or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorized by the Board or its Committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time, in one or more tranches, up to 19,02,95,000 (Nineteen Crore Two Lakh Ninety-Five Thousand) Equity Shares of face value of Rs. 1/- (Rupees one only) each, for cash at Issue price of Rs. 2.48/- (Rupees Two and Forty-Eight paise only) each, i.e. at a premium of Rs. 1.48/- (Rupees one and Forty-Eight paise only) per share, aggregating to Rs. 47,19,31,600 (Rupees Fourty-Seven Crores Nineteen Lakhs Thirty one Thousand Six Hundred only) to the proposed allottees belonging to Non Promoter Category as mentioned below on preferential basis in such form and manner and in accordance with the provisions of SEBI (ICDR) Regulations and SEBI Takeover Regulations or other applicable laws and/or on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval or consent from the members.

| Sr. No. | Name Of The Proposed Allottees | No. Of Equity Shares Proposed To Be Allotted | Price Per Share | Total Amount @Rs. 2.48/- Per Share |
|---------|--------------------------------|----------------------------------------------|-----------------|------------------------------------|
| 1 | Hardik Dilip Parekh | 2,00,00,000 | 2.48 | 4,96,00,000 |
| 2 | Raghav Karol | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 3 | Vora Tarla Mahendra | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 4 | Priyasha Meven Finance Ltd | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 5 | Nikita Hardik Parekh | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 6 | Ashwin S Gandhi | 75,00,000 | 2.48 | 1,86,00,000 |
| 7 | Bindu A Gandhi | 75,00,000 | 2.48 | 1,86,00,000 |
| 8 | Dhruvi Bhadresh Doshi | 62,00,000 | 2.48 | 1,53,76,000 |
| 9 | Haresh Somalal Vyas | 60,00,000 | 2.48 | 1,48,80,000 |
| 10 | Parag Shah | 50,00,000 | 2.48 | 1,24,00,000 |
| 11 | Mansi Parag Shah | 50,00,000 | 2.48 | 1,24,00,000 |
| 12 | Poonam Dilip Parekh | 50,00,000 | 2.48 | 1,24,00,000 |
| 13 | Ketan Vinod Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 14 | Kapil Vinod Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 15 | Dhruv Somalal Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 16 | Manan Dhruv Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 17 | Deepshikha Jain | 30,00,000 | 2.48 | 74,40,000 |
| 18 | Samyak Jain | 26,00,000 | 2.48 | 64,48,000 |
| 19 | Sushant Jain | 26,00,000 | 2.48 | 64,48,000 |
| 20 | Durgesh Sanjivrao Chandavakar | 25,00,000 | 2.48 | 62,00,000 |
| 21 | Karan Ajaykumar Sheth | 25,00,000 | 2.48 | 62,00,000 |

| | | | | |
|----|----------------------------------|-----------|------|-----------|
| 22 | Nisarg Jayesh Sheth | 25,00,000 | 2.48 | 62,00,000 |
| 23 | Abhay Kantilal Shah | 25,00,000 | 2.48 | 62,00,000 |
| 24 | Reeta Abhay Shah | 25,00,000 | 2.48 | 62,00,000 |
| 25 | Ishan Abhay Shah | 25,00,000 | 2.48 | 62,00,000 |
| 26 | Purvi Ishan Shah | 25,00,000 | 2.48 | 62,00,000 |
| 27 | Sapna Mahesh Rupani | 25,00,000 | 2.48 | 62,00,000 |
| 28 | Sanjay Mansukhlal Doshi | 25,00,000 | 2.48 | 62,00,000 |
| 29 | Usha Baid | 25,00,000 | 2.48 | 62,00,000 |
| 30 | Mayank Gupta | 25,00,000 | 2.48 | 62,00,000 |
| 31 | Bharat C.Vyas | 20,00,000 | 2.48 | 49,60,000 |
| 32 | Sandeep Jain | 20,00,000 | 2.48 | 49,60,000 |
| 33 | Dhairya Dhiraj Shah | 18,00,000 | 2.48 | 44,64,000 |
| 34 | Dinsha Jain | 16,00,000 | 2.48 | 39,68,000 |
| 35 | Sandeep Jain & Sons (Huf) | 14,00,000 | 2.48 | 34,72,000 |
| 36 | Saloni Agarwal | 13,00,000 | 2.48 | 32,24,000 |
| 37 | Jitendra Tharya Bhadra | 12,50,000 | 2.48 | 31,00,000 |
| 38 | Dimple Pratap Hinduja | 12,50,000 | 2.48 | 31,00,000 |
| 39 | Ilaben Bakulbhai Gediya | 12,50,000 | 2.48 | 31,00,000 |
| 40 | Bansi Barvalia | 10,00,000 | 2.48 | 24,80,000 |
| 41 | Disha Priyesh Ganatra | 10,00,000 | 2.48 | 24,80,000 |
| 42 | Meera Bharat Khajuria | 10,00,000 | 2.48 | 24,80,000 |
| 43 | Gaurang Jayantilal Meghani | 10,00,000 | 2.48 | 24,80,000 |
| 44 | Mansi Sunil Turakia | 10,00,000 | 2.48 | 24,80,000 |
| 45 | Rajeshkumar Rameshchandra Shah | 10,00,000 | 2.48 | 24,80,000 |
| 46 | Naresh Kantilal Shah Huf | 10,00,000 | 2.48 | 24,80,000 |
| 47 | Saurabh Naresh Shah Huf | 10,00,000 | 2.48 | 24,80,000 |
| 48 | Jash Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 49 | Hiral Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 50 | Prissha Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 51 | Swati Rajesh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 52 | Vibhu Agarwal | 10,00,000 | 2.48 | 24,80,000 |
| 53 | Jigar Kantilal Gala | 10,00,000 | 2.48 | 24,80,000 |
| 54 | Saumik Ketankumar Doshi | 10,00,000 | 2.48 | 24,80,000 |
| 55 | Keya Vimal Salot | 10,00,000 | 2.48 | 24,80,000 |
| 56 | Aakash Omprakash Batra | 10,00,000 | 2.48 | 24,80,000 |
| 57 | Reema Versey | 10,00,000 | 2.48 | 24,80,000 |
| 58 | Urmi Vivek Parekh | 10,00,000 | 2.48 | 24,80,000 |
| 59 | Man Kaur Mohnot | 10,00,000 | 2.48 | 24,80,000 |
| 60 | Samiksha S Kolhe | 5,00,000 | 2.48 | 12,40,000 |
| 61 | Nishant Suhas Nemane | 5,00,000 | 2.48 | 12,40,000 |
| 62 | Narendra M Kotkar Huf | 5,00,000 | 2.48 | 12,40,000 |
| 63 | Deepashri Mehul Painter | 5,00,000 | 2.48 | 12,40,000 |
| 64 | Varadharajan Venkita subramanian | 4,50,000 | 2.48 | 11,16,000 |

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|----|----------------------------------------------|--------------|------|--------------|
| 65 | Vibha Jain | 4,00,000 | 2.48 | 9,92,000 |
| 66 | Sushant Jain (Huf) | 4,00,000 | 2.48 | 9,92,000 |
| 67 | Vasudha Bajaj | 3,70,000 | 2.48 | 9,17,600 |
| 68 | Nikhil Kumud Dharaiya | 3,00,000 | 2.48 | 7,44,000 |
| 69 | Pramila Jain | 2,80,000 | 2.48 | 6,94,400 |
| 70 | Jaikishandass Mall Hobbies And Craft Pvt Ltd | 2,80,000 | 2.48 | 6,94,400 |
| 71 | Amit Kumar Jain | 2,70,000 | 2.48 | 6,69,600 |
| 72 | Dhan Kumar Jain | 2,50,000 | 2.48 | 6,20,000 |
| 73 | Nakul Jain | 2,50,000 | 2.48 | 6,20,000 |
| 74 | Ashok Kumar Jain | 2,10,000 | 2.48 | 5,20,800 |
| 75 | Narendra Kumar Kala | 2,10,000 | 2.48 | 5,20,800 |
| 76 | Vishesh Sethi | 1,75,000 | 2.48 | 4,34,000 |
| 77 | Manish Jain | 1,15,000 | 2.48 | 2,85,200 |
| 78 | Satya Narayan Bajaj | 1,10,000 | 2.48 | 2,72,800 |
| 79 | Manju Devi Bajaj | 1,10,000 | 2.48 | 2,72,800 |
| 80 | Rita Ghorawat | 75,000 | 2.48 | 1,86,000 |
| 81 | Alok Kumar Jain | 75,000 | 2.48 | 1,86,000 |
| 82 | Utsav Bajaj | 75,000 | 2.48 | 1,86,000 |
| 83 | Panadevi Bajaj | 70,000 | 2.48 | 1,73,600 |
| 84 | Bandana Bajaj | 70,000 | 2.48 | 1,73,600 |
| | Total | 19,02,95,000 | | 47,19,31,600 |

RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is August 29, 2024 i.e. 30 days prior to the date of passing of the Special Resolution in the Annual General Meeting.

RESOLVED FURTHER THAT the offer, issue, and allotment of the aforesaid Equity Shares to the proposed allottees shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- a. The Allottee shall be required to bring in 100% of consideration, for the relevant Equity Shares to be allotted on or before the date of allotment hereof;
- b. The consideration for allotment of relevant Equity Shares shall be paid to the Company by the proposed allottees from their respective bank accounts;
- c. The Equity Shares so allotted to the proposed allottees under this resolution shall not be sold, transferred, hypothecated, or encumbered in any manner during the period of lock-in provided under SEBI (ICDR) Regulations, except to the extent and in the manner permitted there under;
- d. The Equity Shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.
- e. Allotment of the Equity Shares shall only be made in dematerialized form;
- f. The Equity Shares proposed to be issued shall rank pari passu with the

existing Equity Shares of the Company in all respects and that the Equity Shares so allotted shall be entitled to the dividend declared, if any, including other corporate benefits, if any;

- g. The issue and allotment of Equity Shares shall be subject to the requirements of all applicable laws and pursuant to the provisions of the Memorandum of Association and Articles of Association of the Company;
- h. The Equity Shares to be issued and allotted pursuant to the Preferential Issue shall be listed and traded on the Stock Exchanges subject to receipt of necessary regulatory permissions and approvals;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to make an offer to the proposed allottees through Private Placement Offer cum Application letter (In the format of "Form PAS-4") immediately after passing of this resolution with a stipulation that allotment would be made only upon receipt of in-principal approval from the stock exchanges in which Equity Shares of the Company are listed.

RESOLVED FURTHER THAT pursuant to the provisions of SEBI (ICDR) Regulations and other applicable laws, the Board be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the Equity Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and expedient and to make an offer to the Allottees through Private Placement Offer cum Application letter in Form PAS- 4 as prescribed under the Companies Act, 2013, without being required to seek any further consent or approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Equity Shares to be allotted to the proposed allottees for effecting any modifications, changes, variations, alterations, additions and/ or deletions to the Preferential Issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Equity Shares, (ii) making applications to the Stock Exchanges for obtaining in-principle approvals, listing of shares, (iii) filing requisite documents with the Ministry of Corporate Affairs, and other regulatory authorities, (iv) filing of requisite documents with the depositories, (v) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vi) issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents and to authorize such persons as may be necessary, in connection therewith and incidental thereto as the Board of Directors in its absolute discretion shall deem fit without being required to seek any fresh approval of members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Equity Shares and application for in-principle approval, listing approval thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, filing requisite documents with the Ministry of Corporate Affairs and other regulatory authorities, filing of requisite documents with the depositories, issue and allotment of the Equity Shares and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to give effect to any modification to the foregoing and that the decision of the Board of Directors shall be final and conclusive.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any committee of the Board of Directors of the Company or to any one or more Director(s), officer(s) or

authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolutions.”

7. To Approve the issuance of equity shares on preferential basis by way of conversion of unsecured loan to Mr. Sanjay Chowdhri, the person belonging to promoter and promoter group.

To consider and, if thought fit, to pass the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to Sections 42, 62(1)(c), 62(1)(3) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any amendment(s), statutory modification(s) or re-enactment thereof for the time being in force) (“the Act”) and the enabling provisions of the Memorandum of Association (“MOA”) and Articles of Association (“AOA”) of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (Takeover) Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the, Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and/ or any other competent authorities (hereinafter referred to as ‘Applicable Regulatory Authorities’) to the extent applicable, and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and-or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorized by the Board or its Committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot on a preferential basis, from time to time, in one or more tranches, up to 3,29,55,000 (Three Crore Twenty Nine Lakh Fifty Five Thousand) equity shares, at an issue price of Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per share having face value of Rs.1/- (Rupees one Only) each at a premium of Rs. 1.48/- /- (Rupees One and Forty-Eight paise only) each aggregating to Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight Thousand Four Hundred Only) on such terms and conditions as may be deemed appropriate by the Board by conversion of existing outstanding loan to the extent of Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight

Thousand Four Hundred Only) which was extended by the Proposed allottee to the Company for supporting the day to-day operations and to meet immediate working capital needs:

| Sr. No | Name of Proposed allottee | Category | No of equity shares to be issued |
|--------|---------------------------|---------------------------|----------------------------------|
| 1 | Sanjay Chowdhri | Promoter & Promoter Group | 3,29,55,000 |

at the price being not less than the price determined in accordance with Chapter V of the SEBI ICDR Regulations or such higher price determined on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment in accordance with the provisions of SEBI ICDR Regulations, or other applicable laws in this respect.

RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is August 29, 2024 i.e. 30 days prior to the date of passing of the Special Resolution in the Annual General Meeting.

RESOLVED FURTHER THAT the Equity Shares to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu (including as to entitlement to voting powers and dividend) in all respects with the existing equity shares of the Company and the shares so issued offered and allotted be in dematerialized form.

RESOLVED FURTHER THAT the Equity Shares allotted on preferential basis shall be locked-in for such period as prescribed in SEBI ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to decide and approve the other terms and conditions of the issue and also to vary, alter or modify any of the terms and conditions in the proposal as may be required by the agencies/ authorities involved in such issues but subject to such conditions as stock exchanges and other appropriate authority may impose at the time of their approval and as agreed to by the Board.

RESOLVED FURTHER THAT the said equity shares shall be allotted in dematerialized form within a period of 15 days from the date of passing of the special resolution by the Members, provided that where the allotment of Equity Shares is subject to receipt of any approval or permission from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approvals or permissions.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid special resolution under Sections 42 and 62 of the Companies Act, 2013, the Board of Directors (which term shall include any duly constituted and authorized Committee thereof) of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) and to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution including intimating the concerned authorities or such other regulatory body and for matters connected therewith or incidental thereto and also to seek listing of such equity shares on NSE where

the shares of the Company are listed.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolution, including issue of offer letter, making necessary filings with the stock exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such terms, condition(s), modification (s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to modification (s) and to resolve and settle all questions, difficulties or doubts that may arise in this regard in the implementation of this resolution for issue and allotment of equity shares on preferential basis and to do all acts, deeds and things in connection therewith and incidental thereto without being required to seek any further consent or approval of the members of the Company to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

8. To approve the issuance of Convertible Warrants on a Preferential basis in compliance with section 42 and 62 of the Companies Act, 2013 to promoter and promoter group.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 42, 62 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any amendment(s), statutory modification(s) or reenactment thereof for the time being in force) (“the Act”) and the enabling provisions of the Memorandum of Associations (“MoA”) and Articles of Association (“AoA”) of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI (ICDR) Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (Takeover) Code”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the Foreign Exchange Management Act, 1999, as amended from time to time, and rules and regulations made thereunder, if any, and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India (“GOI”), Reserve Bank of India (“RBI”), the Registrar of Companies (the “ROC”), Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”) and the Stock Exchanges where the shares of the Company are listed (“Stock Exchanges”) and/ or any other competent authorities (hereinafter referred to as ‘Applicable Regulatory Authorities’) to the extent applicable, the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the statutory, regulatory, appropriate authorities, institutions or

bodies as may be required, and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of the above authorities while granting any such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called 'the Board' which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution or any person authorised by the Board or its committee for such purpose) and subject to any other alterations, modifications, corrections, changes and variations that may be decided by the Board in its absolute discretion, approval of Members of the Company, be and is hereby accorded, to create, offer, issue and allot from time to time, in one or more tranches, up to 4,00,00,000 (Four Crore) Fully Convertible Warrants ("Warrants"/"Convertible Warrants") for cash at an issue price of Rs. 2.60/- (Rupees Two and Sixty paise only) per warrant, with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up Equity Share of face value of Rs. 1/- (Rupees one only) of the Company towards conversion of each warrants within a period of 18 (Eighteen) months from the date of allotment of the Warrants, to the proposed allottee as mentioned below through preferential issue by way of Private Placement in such manner and on such terms and conditions as are stipulated below hereto and as maybe determined by the Board, in its absolute discretion in accordance with the SEBI (ICDR) Regulations, 2018 and other applicable laws:

| Sr No. | Name of the Proposed Allottee | Maximum No. of Warrants proposed to be issued and allotted | Amount including premium (Rs.) |
|--------|-------------------------------|------------------------------------------------------------|--------------------------------|
| 1 | Sanjay R Chowdhri, HUF | 4,00,00,000 | 10,40,00,000 |
| Total | | 4,00,00,000 | 10,40,00,000 |

"RESOLVED FURTHER THAT the Relevant Date, as per the provisions of Chapter V of the SEBI (ICDR) Regulations for determination of the issue price of Equity Shares is August 29, 2024 i.e., 30 days prior to the date of Passing of the Special Resolution."

"RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, the issue of the Warrants and Equity Shares to be allotted on conversion of the Warrants under the Preferential Allotment shall be subject to the following terms and conditions apart from others as prescribed under the applicable laws."

- a) An amount equivalent to 25% of the Warrant Price shall be payable at the time of subscription and allotment of each Warrant and the balance 75% of the Warrant Price shall be payable by the Warrant holder against each Warrant at the time of allotment of Equity Shares pursuant to exercise of the right attached to Warrants to subscribe to Equity Shares. The amount paid against Warrants shall be adjusted/set-off against the issue price for the resultant Equity Shares;
- b) Each Warrant held by the Proposed Allottee shall entitle him to apply for and obtain allotment of 1 (One) fully paid up Equity Share of the face value of Rs. 1/- (Rupees one only) at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment of warrants (the "Warrant Exercise Period");
- c) The Warrants, being allotted to the Proposed Allottee and the Equity Shares proposed to be allotted pursuant to the conversion of these Warrants shall be under lock in for such period as may be prescribed under the SEBI ICDR Regulations;

- d) The Warrants shall be allotted in dematerialized form within a period of 15 (Fifteen) days from the date of passing of this shareholders' resolution, provided that where the allotment of warrants is subject to receipt of any approval(s) or permission(s) from any regulatory authority or Government of India, the allotment shall be completed within a period of 15 days from the date of receipt of last of such approval or permission;
- e) The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time;
- f) The Warrants and the equity shares be allotted on conversion of the warrants under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under;
- g) The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted along with the aggregate amount payable thereon. The Company shall accordingly, without any further approval from the Members, allot the corresponding number of Equity Shares in dematerialized form as per SEBI ICDR Regulations;
- h) The Equity Shares to be allotted on conversion of the Warrants shall be fully paid up and rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting powers) from the date of allotment thereof, and be subject to the requirements of all applicable laws and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- i) In the event the Warrant holder does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid to the Company at the time of subscription of the Warrants shall stand forfeited;
- j) The said Warrants by themselves until exercise of conversion option and Equity Shares allotted, does not give to the Warrant holder any rights with respect to that of the Shareholders of the Company;
- k) The Equity Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalization of profits or reserves, upon demerger/ realignment, rights issue or undertakes consolidation/ subdivision/ re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time;
- l) The Equity Shares arising from the conversion of the Warrants will be listed on Stock Exchanges where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals, as the case may be, and shall inter-alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to make an offer to the proposed allottees through private

placement offer cum application letter (In the format of 'Form PAS-4') immediately after passing of this resolution by members with a stipulation that allotment would be made only upon receipt of in- principle approval from the stock exchanges.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option by the warrant holder(s).

RESOLVED FURTHER THAT pursuant to the provisions of SEBI ICDR Regulations, 2018 and other applicable laws, the Board of Directors of the Company be and is hereby authorized to decide, approve, vary, modify and alter the terms and conditions of the issue of the warrants, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and to record the name and details of the Proposed Allottee in Form PAS-5 and to make an offer to the Allottee through private placement offer cum application letter in Form PAS- 4 as prescribed under the Companies Act, 2013, without being required to seek any further Consent or Approval of the Members.

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient, including without limitation, (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Warrants to be allotted to the Proposed Allottee for effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the equity warrants, (ii) making applications to the Stock Exchanges for obtaining in-principle approvals, (iii) listing of shares allotted to proposed allottee on conversion of the warrants, (iv) filing requisite documents with the MCA, and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the preferential offer, (vii) issue and allotment of the Subscription Warrants, (viii) issuing clarifications, resolving all questions of doubt effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents and to authorize such persons as may be necessary, in connection therewith and incidental thereto as the Board of Directors of the Company in its absolute discretion shall deem fit without being required to seek any fresh approval of the Members and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the warrants and the Equity Shares on conversion of warrants and application for inprinciple approval, listing approval thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Preferential Issue, filing requisite documents with the MCA and other regulatory authorities, filing of requisite documents with the depositories, issue and allotment of the Subscription Warrants and take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any committee of the Board of Directors of the Company or to any one or more directors, officer(s) or authorized signatory(ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities, and to appoint any professional advisors, bankers, consultants and advocates to give effect to this resolution and further to take all others steps which may be incidental, consequential, relevant or ancillary in this regard."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Director(s) or the Company Secretary or any other officer(s) of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution."

By order of the Board
For and on behalf of Supreme Engineering Limited

Sanjay Chowdhri
Managing Director
DIN: 00095990

Date: August 29, 2024
Place: Navi Mumbai

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY COMPETED, STAMPED AND SHOULD BE DEPOSITED AT THE REGISTERD OFFICE OF THE COMPNAY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

A person can act as a proxy on behalf of Members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% (ten percent) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

- 2. The Explanatory Statements, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the business under Items No. 4,5,6,7 and 8 of the accompanying Notice are annexed to this Notice.**
3. Corporate Members intending to send their Authorized Representatives to attend the meeting are requested to send a Certified True Copy of the Board Resolution authorizing their Representative to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith, to attend the AGM
5. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2022. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents for assistance in this regard.
6. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to RTA in case the shares are held in physical form.
7. The notice of AGM is being sent to those members/beneficial owners whose name will appear in the register of members/list of beneficiaries received from the depositories as on Friday, August 30, 2024.
8. The copy of Annual Report, Notice of 37th Annual General Meeting, notice of e-Voting etc. are being sent to the members through e-mail who have registered their e-mail ids with the Company/ Depository Participant (DPs)/ Company's Registrar and Transfer Agent (RTA). Members are requested to update their preferred e-mail ids with the Company/ Depository Participant (DPs)/ Company's Registrar and Transfer Agent (RTA), which will be used for the purpose of future communications.

9. Members whose e-mail ids are registered with the Company and who wish to receive printed copy of the Annual Report may send their request to the Company for the same at its registered office before the Annual General Meeting.
10. All the documents referred to in the Notice, Annual Report and Register of Director's Shareholding are open for inspection, during the business hours, at the Registered Office of the Company up to and including the date of Annual General Meeting.
11. The Register of Members and Share Transfer books of the Company shall remain closed during the Book Closure period i.e. Friday, September 20, 2024, to Saturday, September 28, 2024, both days inclusive.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
13. The Members holding shares in the same name of same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company.
14. Shareholder seeking any information with regard to the accounts is requested to write to the Company at an early date but not later than 10 days before the scheduled date of holding of Annual General Meeting.
15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their Depository Participants ("DPs") in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
17. The notice of the 37th Annual General Meeting and Annual Report for the Financial Year 2023-24 of the Company is also been uploaded on the website of the Company i.e., www.supremesteels.com.
18. E-voting :
In compliance with the provisions of section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015), the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the 37th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members

using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by Central Depository Services Limited (CDSL). The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (“remote e-Voting”).

The Company has appointed Mr. Rinkesh Gala, proprietor of M/s. Rinkesh Gala & Associates, Company Secretaries as Scrutinizer for conducting the e-voting process in a fair and transparent manner.

19. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-Voting to the shareholders, there shall be no voting by show of hands at the AGM. The facility for ballot / polling paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-Voting shall be able to vote at the Meeting through ballot / polling paper.
20. The Shareholders can opt for only one mode of voting i.e. remote e-Voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-Voting will be considered final and voting through physical ballot will not be considered. The members who have cast their vote by remote e-Voting may also attend the Meeting.
21. Route Map showing directions to reach to Venue of Meeting is provided in this Report.

VOTING THROUGH ELECTRONIC MEANS AND ATTENDING THE AGM

In compliance with the provisions of Section 108 of the Act read with Rules made there under and Regulation 44 of the Listing Regulations, the Company is offering evoting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of electronic shareholding) maintained by the Depositories as on the cut-off date i.e. Friday, September 20, 2024, only shall be entitled to avail the facility of remote e voting/ evoting at the AGM. CDSL will be facilitating remote evoting to enable the Members to cast their votes electronically. Members can cast their vote online from 9.00 A.M. (IST) on Wednesday, September 25, 2024 to 5.00 P.M. (IST) on Friday, September 27, 2024. At the end of remote e-voting period, the facility shall forthwith be blocked.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- I. The voting period begins on 9.00 A.M. (IST) on Wednesday, September 25, 2024 to 5.00 P.M. (IST) on Friday, September 27, 2024. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 20, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- III. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- IV. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

| Type of shareholders | Login Method |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services |

| | |
|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Individual Shareholders holding securities in Demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.</p> |
| <p>Individual Shareholders holding securities in Demat mode with NSDL</p> | <p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p> |

(i) Login method for e-Voting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| For Shareholders holding shares in Demat Form other than individual and Physical Form | |
|----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3). |

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@supremesteels.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on toll free no. 1800 22 55 33.

GENERAL INFORMATION

- (i) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful

attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password?' or 'Physical User Reset Password?' option available to reset the password.

- (ii) The Board of Directors of the Company has appointed Mr. Rinkesh Gala, proprietor of M/s. Rinkesh Gala & Associates, Practicing Company Secretaries (Membership No. A42486 & CP No.-20128), to act as the Scrutiniser, to scrutinise the entire e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given above.
- (iii) The Scrutiniser will submit her report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e- voting) not later than 48 hours from the conclusion of AGM.
- (iv) The results of the electronic voting shall be declared to the Stock Exchanges where shares of the Company are listed after the conclusion of AGM. The results along with the Scrutiniser's Report, shall also be placed on the website of the Company <https://www.supremesteels.com/>.
All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection through electronic mode, basis the request being sent on cs@supremesteels.com.

ROAD MAP TO THE ANNUAL GENERAL MEETING VENUE:

Supreme Engineering Limited, Village Vihari, Opp. Khopoli Railway station, Khopoli - 410 203



**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTH
COMING ANNUAL GENERAL MEETING**

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings]

| | |
|------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Name of Director | Lalitha Sanjay Chowdhri |
| Date of Birth | 20/04/1967 |
| Date of First Appointment | 12/04/1987 |
| Qualification | BA Economics |
| Expertise in specific functional areas | Management is the process of properly maintaining a home and property and overseeing necessary household activities. |
| Terms and conditions of appointment or re-appointment | Re-appointment of Ms. Lalitha Sanjay Chowdhri, whose term shall be liable to retire by rotation. |
| Directorships in other listed entities as on March 31, 2024 | Nil |
| Membership of any Committees of other listed entities as on March 31, 2024 | Nil |
| Name of Listed entities from which the person has resigned in the past three years | Nil |
| No of Equity Shares held in the Company | 1,71,20,000 |
| Relationship between directors inter-se | Wife of Mr. Sanjay Chowdhri and mother of Mr. Abhinav Chowdhri and Mr. Pranav Chowdhri |

Explanatory Statement

{Pursuant to Section 102 of the Companies Act, 2013 ("The Act")}

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 4,5,6,7 & 8 of the accompanying Notice:

Item 4:

The Board of Directors at its meeting held on August 28, 2024, based on the recommendations of the Audit Committee, had approved the appointment and remuneration of M/s. Dinesh Jain & Company, Cost Accountants (Firm Registration Number 000572), as the Cost Auditor for audit of the cost accounting records of the Company for the financial year ending March 31, 2025, at a remuneration not exceeding Rs. 50,000/- (Rupees Fifty Thousand only) excluding taxes and reimbursement of out-of pocket expenses at actuals, if any, in connection with the audit. The overall remuneration proposed to be paid to the Cost Auditor for the financial year ending March 31, 2025, is commensurate to the scope of the audit to be carried out by the Cost Auditors. M/s. M/s. Dinesh Jain, Cost Accountants have confirmed that they hold a valid certificate of practice under Sub-section (1) of Section 6 of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) for the time being in force), the remuneration payable to Cost Auditor has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought to the remuneration payable to the Cost Auditor for conducting the audit of the cost records of the Company for the financial year ending March 31, 2025.

None of the Directors, Key Managerial Personnel or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution, except to the extent of their respective shareholding, if any, in the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

Item 5:

The present Authorised Share Capital of the Company is Rs. 25,10,00,000 /- (Rupees Twenty Five Crore Ten Lakh Only) comprising of divided into 25,10,00,000 (Twenty Five Crore Ten Lakh) Equity shares of Rs. 1/- each.

Considering the increased fund requirements of the Company, the Board at its Meeting held on August 29, 2024, had accorded its approval for increasing the Authorised Share Capital from existing Rs. 25,10,00,000 /- (Rupees Twenty Five Crore Ten Lakh Only) comprising of divided into 25,10,00,000 (Twenty Five Crore Ten Lakh) Equity shares of Rs. 1/- each to Rs. 51,50,00,000/- (Rupees Fifty One Crore Fifty Lakh only) divided into 51,50,00,000 (Fifty One Crore Fifty Lakh) Equity shares of Rs. 1/- each, subject to shareholders approval.

It is therefore proposed to increase the Authorised Share Capital of the Company from Rs. 25,10,00,000 /- (Rupees Twenty Five Crore Ten Lakh Only) to Rs. 51,50,00,000/- (Rupees Fifty One Crore Fifty Lakh only) by 26,40,00,000 (Twenty Six Crore Forty Lakh) additional equity share of Rs.1/- each ranking paripassu with the existing Equity Shares in all respects as per the Memorandum and Articles of Association of the Company.

Pursuant to the provisions of Section 13 & 61 of the Companies Act, 2013, approval of the Members is required for increasing the Authorised Share Capital of the Company and alteration in the

Memorandum of Association and Articles of Association of the Company.

Accordingly, the Board recommends the resolutions set out at Item No. 5 seeking approval of the Members for increasing the Authorised Share Capital of the Company and consequential amendment to the Memorandum of Association and Articles of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, are in any way concerned or interested, financially or otherwise in the said resolution. The consent of the members is, therefore, being sought for passing the aforesaid resolution of the notice as an Ordinary Resolution

Item 6:

The Company intends to raise funds from the proposed allottees by issuance of the Equity Shares for the following purposes:

- I. Repayment towards the loan availed by company from Banks;
- II. Working Capital Requirements of the Company;
- III. General Corporate Purposes of the Company and
- IV. Issue related expenses.

Therefore, the Board, in its meeting held on August 29, 2024, has approved the proposal for issuance of the Equity Shares to the Proposed allottees under the Preferential Issue as per terms stated in the aforesaid resolution, subject to, inter alia, approval of the members of the Company.

The resolution is recommended to the members of the Company for their consideration and approval pursuant to the provisions of Sections 42, and 62 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the provisions of Chapter V of the SEBI ICDR Regulations.

The disclosure required in terms of provisions of Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the provisions of Chapter V of the SEBI ICDR Regulations are as follows:

1. Particulars of the offer including date of passing of Board resolution:

The Board, in its meeting held on August 29, 2024, has approved the proposal for the creation, offer, issuance and allotment of up to:

- (i) 19,02,95,000 equity shares fully paid-up equity shares of the Company having face value of Rs. 1/- (Indian Rupees One Only) ("Equity Shares") at an issue price of Rs. 2.48/- (Rupees Two and Forty-Eight paise only) each ("Equity Issue Price") i.e. at a premium of Rs. 1.48/- (Rupees One and Forty-Eight paise only) per share, aggregating up to Rs. 47,19,31,600 (Rupees Fourty-Seven Crores Nineteen Lakhs Thirty One Thousand Six Hundred only) ("Issue Size") which is not less than the floor price determined in accordance with Chapter V of the SEBI ICDR Regulations, to persons, being private investors, listed below ("Proposed Allottees") on such terms and conditions as may be determined by the Board in accordance with the SEBI ICDR Regulations and other applicable laws ("Preferential Issue"). The other significant details of the offer are contained as part of the below other disclosures.

2. Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:

Upto 19,02,95,000 (Nineteen Crore Two Lakh Ninety-Five Thousand) fully paid-up equity shares of the Company having face value of Rs. 1/- (Rupees one only) ("Equity Shares") at an issue price of Rs. Rs. 2.48/- (Rupees Two and Forty-Eight paise only) each ("Equity Issue Price") i.e. at a premium of Rs. 1.48/- (Rupees one and Forty-Eight paise only) per share, aggregating up to Rs. 47,19,31,600

(Rupees Fourty-Seven Crores Nineteen Lakhs Thirty one Thousand Six Hundred only) ("Issue Size"); which is not less than the floor price determined in accordance with Chapter V of the SEBI ICDR Regulations.

3. The Objects of the issue:

The Company intends to utilize the proceeds raised through the Preferential Issue ("Issue Proceeds") towards the following objects:

- I. Repayment towards the loan availed by company from Banks;
- II. Working Capital Requirements of the Company;
- III. General Corporate Purposes of the Company and
- IV. Issue related expenses.

4. Basis on which the price has been arrived at along with report of the registered valuer:

In terms of the SEBI ICDR Regulations, the floor price at which the Equity Shares can be issued is Rs. 2.48/- (Rupees Two and Forty-Eight paise only) respectively, as per the pricing formula prescribed under the SEBI ICDR Regulations for the Preferential Issue and is the highest of the following:

- a. 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 1.51/- (Rupees One and Fifty-One paise Only) per equity share;
- b. 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 2.47/- (Rupees Two and Forty-Seven paise Only) per equity share.
- c. Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to SEBI ICDR Regulations.

Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

5. Relevant Date with reference to which the price has been arrived at:

The 'Relevant Date' for the purpose of determination of the floor price for issue of the Equity Shares under the Preferential Issue, as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Thursday, August 29, 2024 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Preferential Issue.

6. Name and address of valuer who performed valuation:

The company has obtained the valuation report dated August 29, 2024 issued by Ms. Neha Bhandari, Registered Valuer (IBBI Registration No. IBBI/RV/16/2021/14449), The Valuation Report shall be available for inspection by the members on request.

7. The price or price band at/within which the allotment is proposed:

As stated in clause 4 above, the Equity Shares are proposed to be issued at an issue price of Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per equity share.

8. The class or classes of persons to whom the allotment is proposed to be made:

The Preferential Issue of Equity Shares is proposed to be allotted to the following allottees (Non-promoter):

| Sr. No. | Name Of The Proposed Allottees | No. Of Equity Shares Proposed To Be Allotted | Price Per Share | Total Amount @Rs. 2.48/- Per Share |
|---------|--------------------------------|----------------------------------------------|-----------------|------------------------------------|
| 1 | Hardik Dilip Parekh | 2,00,00,000 | 2.48 | 4,96,00,000 |
| 2 | Raghav Karol | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 3 | Vora Tarla Mahendra | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 4 | Priyasha Meven Finance Ltd | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 5 | Nikita Hardik Parekh | 1,00,00,000 | 2.48 | 2,48,00,000 |
| 6 | Ashwin S Gandhi | 75,00,000 | 2.48 | 1,86,00,000 |
| 7 | Bindu A Gandhi | 75,00,000 | 2.48 | 1,86,00,000 |
| 8 | Dhruvi Bhadresh Doshi | 62,00,000 | 2.48 | 1,53,76,000 |
| 9 | Haresh Somalal Vyas | 60,00,000 | 2.48 | 1,48,80,000 |
| 10 | Parag Shah | 50,00,000 | 2.48 | 1,24,00,000 |
| 11 | Mansi Parag Shah | 50,00,000 | 2.48 | 1,24,00,000 |
| 12 | Poonam Dilip Parekh | 50,00,000 | 2.48 | 1,24,00,000 |
| 13 | Ketan Vinod Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 14 | Kapil Vinod Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 15 | Dhruv Somalal Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 16 | Manan Dhruv Vyas | 30,00,000 | 2.48 | 74,40,000 |
| 17 | Deepshikha Jain | 30,00,000 | 2.48 | 74,40,000 |
| 18 | Samyak Jain | 26,00,000 | 2.48 | 64,48,000 |
| 19 | Sushant Jain | 26,00,000 | 2.48 | 64,48,000 |
| 20 | Durgesh Sanjivrao Chandavakar | 25,00,000 | 2.48 | 62,00,000 |
| 21 | Karan Ajaykumar Sheth | 25,00,000 | 2.48 | 62,00,000 |
| 22 | Nisarg Jayesh Sheth | 25,00,000 | 2.48 | 62,00,000 |
| 23 | Abhay Kantilal Shah | 25,00,000 | 2.48 | 62,00,000 |
| 24 | Reeta Abhay Shah | 25,00,000 | 2.48 | 62,00,000 |
| 25 | Ishan Abhay Shah | 25,00,000 | 2.48 | 62,00,000 |
| 26 | Purvi Ishan Shah | 25,00,000 | 2.48 | 62,00,000 |
| 27 | Sapna Mahesh Rupani | 25,00,000 | 2.48 | 62,00,000 |
| 28 | Sanjay Mansukhlal Doshi | 25,00,000 | 2.48 | 62,00,000 |
| 29 | Usha Baid | 25,00,000 | 2.48 | 62,00,000 |
| 30 | Mayank Gupta | 25,00,000 | 2.48 | 62,00,000 |
| 31 | Bharat C.Vyas | 20,00,000 | 2.48 | 49,60,000 |
| 32 | Sandeep Jain | 20,00,000 | 2.48 | 49,60,000 |
| 33 | Dhairya Dhiraj Shah | 18,00,000 | 2.48 | 44,64,000 |
| 34 | Dinsha Jain | 16,00,000 | 2.48 | 39,68,000 |
| 35 | Sandeep Jain & Sons (HUF) | 14,00,000 | 2.48 | 34,72,000 |
| 36 | Saloni Agarwal | 13,00,000 | 2.48 | 32,24,000 |
| 37 | Jitendra Tharya Bhadra | 12,50,000 | 2.48 | 31,00,000 |
| 38 | Dimple Pratap Hinduja | 12,50,000 | 2.48 | 31,00,000 |
| 39 | Ilaben Bakulbhai Gediya | 12,50,000 | 2.48 | 31,00,000 |
| 40 | Bansi Barvalia | 10,00,000 | 2.48 | 24,80,000 |

| | | | | |
|----|----------------------------------------------|-----------|------|-----------|
| 41 | Disha Priyesh Ganatra | 10,00,000 | 2.48 | 24,80,000 |
| 42 | Meera Bharat Khajuria | 10,00,000 | 2.48 | 24,80,000 |
| 43 | Gaurang Jayantilal Meghani | 10,00,000 | 2.48 | 24,80,000 |
| 44 | Mansi Sunil Turakia | 10,00,000 | 2.48 | 24,80,000 |
| 45 | Rajeshkumar Rameshchandra Shah | 10,00,000 | 2.48 | 24,80,000 |
| 46 | Naresh Kantilal Shah HUF | 10,00,000 | 2.48 | 24,80,000 |
| 47 | Saurabh Naresh Shah HUF | 10,00,000 | 2.48 | 24,80,000 |
| 48 | Jash Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 49 | Hiral Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 50 | Prissha Saurabh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 51 | Swati Rajesh Shah | 10,00,000 | 2.48 | 24,80,000 |
| 52 | Vibhu Agarwal | 10,00,000 | 2.48 | 24,80,000 |
| 53 | Jigar Kantilal Gala | 10,00,000 | 2.48 | 24,80,000 |
| 54 | Saumik Ketankumar Doshi | 10,00,000 | 2.48 | 24,80,000 |
| 55 | Keya Vimal Salot | 10,00,000 | 2.48 | 24,80,000 |
| 56 | Aakash Omprakash Batra | 10,00,000 | 2.48 | 24,80,000 |
| 57 | Reema Versey | 10,00,000 | 2.48 | 24,80,000 |
| 58 | Urmi Vivek Parekh | 10,00,000 | 2.48 | 24,80,000 |
| 59 | Man Kaur Mohnot | 10,00,000 | 2.48 | 24,80,000 |
| 60 | Samiksha S Kolhe | 5,00,000 | 2.48 | 12,40,000 |
| 61 | Nishant Suhas Nemane | 5,00,000 | 2.48 | 12,40,000 |
| 62 | Narendra M Kotkar Huf | 5,00,000 | 2.48 | 12,40,000 |
| 63 | Deepashri Mehul Painter | 5,00,000 | 2.48 | 12,40,000 |
| 64 | Varadharajan Venkitasubramanian | 4,50,000 | 2.48 | 11,16,000 |
| 65 | Vibha Jain | 4,00,000 | 2.48 | 9,92,000 |
| 66 | Sushant Jain (Huf) | 4,00,000 | 2.48 | 9,92,000 |
| 67 | Vasudha Bajaj | 3,70,000 | 2.48 | 9,17,600 |
| 68 | Nikhil Kumud Dharaiya | 3,00,000 | 2.48 | 7,44,000 |
| 69 | Pramila Jain | 2,80,000 | 2.48 | 6,94,400 |
| 70 | Jaikishandass Mall Hobbies And Craft Pvt Ltd | 2,80,000 | 2.48 | 6,94,400 |
| 71 | Amit Kumar Jain | 2,70,000 | 2.48 | 6,69,600 |
| 72 | Dhan Kumar Jain | 2,50,000 | 2.48 | 6,20,000 |
| 73 | Nakul Jain | 2,50,000 | 2.48 | 6,20,000 |
| 74 | Ashok Kumar Jain | 2,10,000 | 2.48 | 5,20,800 |
| 75 | Narendra Kumar Kala | 2,10,000 | 2.48 | 5,20,800 |
| 76 | Vishesh Sethi | 1,75,000 | 2.48 | 4,34,000 |
| 77 | Manish Jain | 1,15,000 | 2.48 | 2,85,200 |
| 78 | Satya Narayan Bajaj | 1,10,000 | 2.48 | 2,72,800 |
| 79 | Manju Devi Bajaj | 1,10,000 | 2.48 | 2,72,800 |
| 80 | Rita Ghorawat | 75,000 | 2.48 | 1,86,000 |
| 81 | Alok Kumar Jain | 75,000 | 2.48 | 1,86,000 |
| 82 | Utsav Bajaj | 75,000 | 2.48 | 1,86,000 |

| | | | | |
|----|----------------|--------------|------|--------------|
| 83 | Panadevi Bajaj | 70,000 | 2.48 | 1,73,600 |
| 84 | Bandana Bajaj | 70,000 | 2.48 | 1,73,600 |
| | Total | 19,02,95,000 | | 47,19,31,600 |

9. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The promoters, Directors and key managerial personnel of the Company do not intent to participate in the Preferential Issue.

10. The proposed time within which the allotment shall be completed:

The Equity Shares shall be allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Equity Shares is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

11. The names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

| Sr. No. | Name Of The Proposed Allottees | Ultimate Beneficial Owners ('UBO') | Maximum Amount / Up to (Rs.) | Pre-preferential allotment Shareholding % | Post-preferential allotment Shareholding % |
|---------|--------------------------------|-------------------------------------------------------------------------------------|------------------------------|-------------------------------------------|--------------------------------------------|
| 1 | Hardik Dilip Parekh | NA | 4,96,00,000 | - | 3.90 |
| 2 | Raghav Karol | NA | 2,48,00,000 | - | 1.95 |
| 3 | Vora Tarla Mahendra | NA | 2,48,00,000 | - | 1.95 |
| 4 | Priyasha Meven Finance Ltd | 1. KAMAL KUMAR G JALAN 2. NIKHIL JALAN 3. AKHIL JALAN 4. ASHADEVI JALAN | 2,48,00,000 | - | 1.95 |
| 5 | Nikita Hardik Parekh | NA | 2,48,00,000 | - | 1.95 |
| 6 | Ashwin S Gandhi | NA | 1,86,00,000 | - | 1.46 |
| 7 | Bindu A Gandhi | NA | 1,86,00,000 | - | 1.46 |
| 8 | Dhruvi Bhadresh Doshi | NA | 1,53,76,000 | - | 1.21 |
| 9 | Haresh Somalal Vyas | NA | 1,48,80,000 | - | 1.17 |
| 10 | Parag Shah | NA | 1,24,00,000 | - | 0.97 |
| 11 | Mansi Parag Shah | NA | 1,24,00,000 | - | 0.97 |
| 12 | Poonam Dilip Parekh | NA | 1,24,00,000 | - | 0.97 |
| 13 | Ketan Vinod Vyas | NA | 74,40,000 | - | 0.58 |
| 14 | Kapil Vinod Vyas | NA | 74,40,000 | - | 0.58 |
| 15 | Dhruv Somalal Vyas | NA | 74,40,000 | - | 0.58 |
| 16 | Manan Dhruv Vyas | NA | 74,40,000 | - | 0.58 |
| 17 | Deepshikha Jain | NA | 74,40,000 | - | 0.58 |
| 18 | Samyak Jain | NA | 64,48,000 | - | 0.51 |
| 19 | Sushant Jain | NA | 64,48,000 | - | 0.51 |

| | | | | | |
|----|--------------------------------|----------------------|-----------|---|------|
| 20 | Durgesh Sanjivrao Chandavakar | NA | 62,00,000 | - | 0.49 |
| 21 | Karan Ajaykumar Sheth | NA | 62,00,000 | - | 0.49 |
| 22 | Nisarg Jayesh Sheth | NA | 62,00,000 | - | 0.49 |
| 23 | Abhay Kantilal Shah | NA | 62,00,000 | - | 0.49 |
| 24 | Reeta Abhay Shah | NA | 62,00,000 | - | 0.49 |
| 25 | Ishan Abhay Shah | NA | 62,00,000 | - | 0.49 |
| 26 | Purvi Ishan Shah | NA | 62,00,000 | - | 0.49 |
| 27 | Sapna Mahesh Rupani | NA | 62,00,000 | - | 0.49 |
| 28 | Sanjay Mansukhlal Doshi | NA | 62,00,000 | - | 0.49 |
| 29 | Usha Baid | NA | 62,00,000 | - | 0.49 |
| 30 | Mayank Gupta | NA | 62,00,000 | - | 0.49 |
| 31 | Bharat C.Vyas | NA | 49,60,000 | - | 0.39 |
| 32 | Sandeep Jain | NA | 49,60,000 | - | 0.39 |
| 33 | Dhairya Dhiraj Shah | NA | 44,64,000 | - | 0.35 |
| 34 | Dinsha Jain | NA | 39,68,000 | - | 0.31 |
| 35 | Sandeep Jain & Sons (HUF) | Sandeep Jain | 34,72,000 | - | 0.27 |
| 36 | Saloni Agarwal | | 32,24,000 | - | 0.25 |
| 37 | Jitendra Tharya Bhadra | NA | 31,00,000 | - | 0.24 |
| 38 | Dimple Pratap Hinduja | NA | 31,00,000 | - | 0.24 |
| 39 | Ilaben Bakulbhai Gediya | NA | 31,00,000 | - | 0.24 |
| 40 | Bansi Barvalia | NA | 24,80,000 | - | 0.19 |
| 41 | Disha Priyesh Ganatra | NA | 24,80,000 | - | 0.19 |
| 42 | Meera Bharat Khajuria | NA | 24,80,000 | - | 0.19 |
| 43 | Gaurang Jayantilal Meghani | NA | 24,80,000 | - | 0.19 |
| 44 | Mansi Sunil Turakia | NA | 24,80,000 | - | 0.19 |
| 45 | Rajeshkumar Rameshchandra Shah | NA | 24,80,000 | - | 0.19 |
| 46 | Naresh Kantilal Shah HUF | Naresh Kantilal Shah | 24,80,000 | - | 0.19 |
| 47 | Saurabh Naresh Shah HUF | Saurabh Naresh Shah | 24,80,000 | - | 0.19 |
| 48 | Jash Saurabh Shah | NA | 24,80,000 | - | 0.19 |
| 49 | Hiral Saurabh Shah | NA | 24,80,000 | - | 0.19 |
| 50 | Prissha Saurabh Shah | NA | 24,80,000 | - | 0.19 |
| 51 | Swati Rajesh Shah | NA | 24,80,000 | - | 0.19 |
| 52 | Vibhu Agarwal | NA | 24,80,000 | - | 0.19 |
| 53 | Jigar Kantilal Gala | NA | 24,80,000 | - | 0.19 |
| 54 | Saumik Ketankumar Doshi | NA | 24,80,000 | - | 0.19 |
| 55 | Keya Vimal Salot | NA | 24,80,000 | - | 0.19 |
| 56 | Aakash Omprakash Batra | NA | 24,80,000 | - | 0.19 |
| 57 | Reema Versey | NA | 24,80,000 | - | 0.19 |
| 58 | Urmi Vivek Parekh | NA | 24,80,000 | - | 0.19 |
| 59 | Mrs Man Kour Mohnot | NA | 24,80,000 | - | 0.19 |

| | | | | | |
|----|----------------------------------------------|---------------------------------------------------------------------|--------------|---|------|
| 60 | Samiksha S Kolhe | NA | 12,40,000 | - | 0.10 |
| 61 | Nishant Suhas Nemane | NA | 12,40,000 | - | 0.10 |
| 62 | Narendra M Kotkar Huf | NA | 12,40,000 | - | 0.10 |
| 63 | Deepashri Mehul Painter | NA | 12,40,000 | - | 0.10 |
| 64 | Varadharajan Venkitasubramanian | NA | 11,16,000 | - | 0.09 |
| 65 | Vibha Jain | NA | 9,92,000 | - | 0.08 |
| 66 | Sushant Jain (HUF) | Sushant Jain | 9,92,000 | - | 0.08 |
| 67 | Vasudha Bajaj | NA | 9,17,600 | - | 0.07 |
| 68 | Nikhil Kumud Dharaiya | NA | 7,44,000 | - | 0.06 |
| 69 | Pramila Jain | NA | 6,94,400 | - | 0.05 |
| 70 | Jaikishandass Mall Hobbies And Craft Pvt Ltd | 1.Harsh Mall 2.Rajashree Mall 3.Shelly Mall 4.Vatsala Mall | 6,94,400 | - | 0.05 |
| 71 | Amit Kumar Jain | NA | 6,69,600 | - | 0.05 |
| 72 | Dhan Kumar Jain | NA | 6,20,000 | - | 0.05 |
| 73 | Nakul Jain | NA | 6,20,000 | - | 0.05 |
| 74 | Ashok Kumar Jain | NA | 5,20,800 | - | 0.04 |
| 75 | Narendra Kumar Kala | NA | 5,20,800 | - | 0.04 |
| 76 | Vishesh Sethi | NA | 4,34,000 | - | 0.03 |
| 77 | Manish Jain | NA | 2,85,200 | - | 0.02 |
| 78 | Satya Narayan Bajaj | NA | 2,72,800 | - | 0.02 |
| 79 | Manju Devi Bajaj | NA | 2,72,800 | - | 0.02 |
| 80 | Rita Ghorawat | NA | 1,86,000 | - | 0.01 |
| 81 | Alok Kumar Jain | NA | 1,86,000 | - | 0.01 |
| 82 | Utsav Bajaj | NA | 1,86,000 | - | 0.01 |
| 83 | Panadevi Bajaj | NA | 1,73,600 | - | 0.01 |
| 84 | Bandana Bajaj | NA | 1,73,600 | - | 0.01 |
| | Total | | 47,19,31,600 | - | |

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

\$ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

12. The change in control, if any, in the Company that would occur consequent to the preferential offer:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential issue.

However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will change in accordance with the change in the shareholding pattern pursuant to the Preferential Allotment.

13. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the year, no allotment on preferential basis has been made.

14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable as the Preferential Issue is proposed to be made for cash consideration.

15. The pre issue and post issue shareholding pattern of the Company:

The pre issue and the post-issue shareholding pattern of the Company (considering full allotment of equity shares to be issued on preferential basis as per this Notice) is mentioned hereinbelow:

| Sr. No. | Category | Pre-issue | | Post- issue | |
|---------|---------------------------------------|---------------------|---------------|---------------------|---------------|
| | | No. of shares | % of Capital | No. of shares | % of Capital |
| A | Promoters & Promoter Group Holding | | | | |
| 1 | Indian | | | | |
| a) | Individuals / HUF | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| b) | Bodies Corporate | - | - | - | - |
| c) | Others | - | - | - | - |
| | Sub-total (A1) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| 2 | Foreign | - | - | - | - |
| a) | Bodies Corporate | - | - | - | - |
| | Sub-total (A2) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| B | Non-Promoters Holding | | | | |
| 1 | Institutional Investors (Domestic) | - | - | - | - |
| 2 | Institutional (Foreign) | - | - | - | - |
| 3 | Central Government / State Government | - | - | - | - |
| 4 | Non-institutions | | | | |
| | Indian public | 12,69,85,812 | 50.80 | 30,32,00,812 | 59.08 |
| | NON RESIDENT INDIANS (NRIs) | 15,79,756 | 0.63 | 15,79,756 | 0.31 |
| | Bodies Corporate | 1,17,63,950 | 4.71 | 2,20,43,950 | 4.30 |
| | Others | | | | |
| | Clearing Member | 2,18,621 | 0.09 | 2,18,621 | 0.04 |
| | Hindu Undivided Family | 62,40,351 | 2.50 | 1,00,40,351 | 1.96 |
| | Sub-Total (B) | 14,67,88,490 | 58.73 | 33,70,83,490 | 65.68 |
| C | Non – Promoter Non-Public Holding | | | | |
| | Custodian/DR Holder | 5,000 | 0.00 | 5,000 | 0.00 |
| | Sub-Total (C) | 5,000 | 0.00 | 5,000 | 0.00 |
| | Grand Total (A + B + C) | 24,99,50,000 | 100.00 | 51,32,00,000 | 100.00 |

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

\$ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

Note: The above shareholding pattern has been prepared on the basis of shareholding as on August 23, 2024.

16. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

Currently, the Proposed allottees who are holding equity shares in the Company are classified under the 'public shareholders' category.

17. Lock-in Period:

The Equity Shares proposed to be issued to the Investors under the Preferential Issue shall be subject to lock-in, in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

18. Listing:

The Equity Shares proposed to be allotted to the Proposed Allottees under the Preferential Issue shall be listed and shall be admitted for trading on the main Board of Stock Exchange viz. National Stock Exchange of India Limited, subject to requisite approval from the Stock Exchange.

19. Practicing Company Secretary's Certificate:

As required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate issued by Mr. Rinkesh Gala, proprietor of M/s. Rinkesh Gala & Associates, Practicing Company Secretaries, certifying, inter alia, that the Preferential Issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations shall be placed before the meeting of the members. The said certificate issued by M/s. RA Gala & Associates, Practicing Company Secretaries is also hosted on the website of the Company at www.supremesteels.com.

20. Undertakings / Confirmations:

- a. The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.
- b. None of the Promoters and/or Directors of the Company are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- c. Neither the Company nor any of its Promoters and/or Directors have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- d. Each of proposed allottees has confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.
- e. As the equity shares of the Company are listed on recognized Stock Exchange for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price. However, the Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid by the respective allottees.

The approval of the members is being sought to enable the Board to issue and allot the Equity Shares on a preferential basis, to the extent and in the manner as set out in the resolution and

the explanatory statement. The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding in the Company, if any.

The Board of Directors recommend passing of the special resolution at item no. 6 of the accompanying notice for the approval of the Members of the Company. Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

Item 7:

Mr. Sanjay Chowdhri, Managing Director and Promoter of the Company who founded and led the Company for over three decades and constantly supported the Company and had given unsecured loan to the Company at various intervals to meet its working capital requirements. The Company intends to reduce its financial cost and in order to increase the permanent financial base of the Company, the Board considered the current financial position of the Company and recommended to convert the outstanding Loans of Mr. Sanjay Chowdhri, Managing Director and Promoter of the Company and allotment of equity shares on preferential basis by conversion of their outstanding Loan amounts by way of issue of upto 3,29,55,000 (Rupees Three Crore Twenty-Nine Lakhs Fifty-Five Thousand Only) Equity shares of face value of Rs.1/- (Rupees One Only) each towards conversion of loan, at an Issue Price of Rs. Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per share including premium of Rs. 1.48/- (Rupees One and Forty-Eight paise only) per share determined in accordance with Chapter V of SEBI (ICDR) Regulations;

The proposed Preferential Issue is to be issued to the persons belonging 'Promoter and Promoter Group Category' as per the details disclosed in the respective resolution. The preferential issue shall be made in terms of Chapter V of the SEBI ICDR Regulations, 2018 and applicable provisions of Companies Act, 2013. The said proposal has been considered and approved by the Board in its meeting held on August 29, 2024.

The resolution is recommended to the members of the Company for their consideration and approval pursuant to the provisions of Sections 42, 62(1)(c), 62(1)(3) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the provisions of Chapter V of the SEBI ICDR Regulations.

The disclosure required in terms of provisions of Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the provisions of Chapter V of the SEBI ICDR Regulations are as follows:

1. Particulars of the offer including date of passing of Board resolution:

The Board at its meeting held on August 29, 2024, has, subject to the approval of the Members and such other approvals as may be required, and approved the issuance and allotment of:

Up to 3,29,55,000 (Three Crore Twenty-Nine Lakhs Fifty-Five Thousand Only) Equity shares of face value of Rs.1/- (Rupees One Only) each towards conversion of loan to the extent of Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight Thousand Four Hundred Only), to the persons belonging to the Promoter and Promoter Group of the Company at an Issue Price of Rs. Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per share including premium of Rs. 1.48/- (Rupees One and Forty-Eight paise only) per share determined in accordance with Chapter V of SEBI (ICDR) Regulations;

2. Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:

Up to 3,29,55,000 (Three Crore Twenty-Nine Lakhs Fifty-Five Thousand Only) Equity shares of face value of Rs.1/- (Rupees One Only) each towards conversion of loan to the extent of Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight Thousand Four Hundred Only), to the persons belonging to the Promoter and Promoter Group of the Company at an Issue Price of Rs. Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per share including premium of Rs. 1.48/- (Rupees One and Forty-Eight paise only) per share determined in accordance with Chapter V of SEBI (ICDR) Regulations.

3. The Objects of the issue:

There are Unsecured Loans from the Promoters and Promoter Group, and the Company proposes to issue such number of Equity Shares on preferential basis in order to restructure the said unsecured loans held in the names of proposed allottee(s) namely, Mr. Sanjay Chowdhri, to the extent of Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight Thousand Four Hundred Only) and to strengthen the Capital structure of the Company. The Company intends to reduce its financial cost and in order to increase the permanent financial base of the Company, the Board considered the current financial position of the Company and decided to convert the outstanding unsecured loans in to Equity Shares which is in best interest of the Company and it will also strengthen the financial position of the Company by reducing liabilities and it will also result in increase of net worth of the Company.

The Company proposes the conversion of unsecured loan to the extent of Rs. 8,17,28,400/- (Rupees Eight Crore Seventeen Lakh Twenty-Eight Thousand Four Hundred Only) by way issue of equity shares on preferential basis which was availed for the purpose of:

1. Meet working capital requirements to strengthen financial position;
2. General corporate purposes.

4. Basis on which the price has been arrived at along with report of the registered valuer:

In terms of the SEBI ICDR Regulations, the floor price at which the Equity Shares can be issued is Rs. 2.48/- (Rupees Two and Forty-Eight paise only) respectively, as per the pricing formula prescribed under the SEBI ICDR Regulations for the Preferential Issue and is the highest of the following:

- a. 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 1.51/- (Rupees One and Fifty-One paise Only) per equity share;
- b. 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 2.47/- (Rupees Two and Forty-Seven paise Only) per equity share.
- c. Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to SEBI ICDR Regulations.

Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

5. Relevant Date with reference to which the price has been arrived at:

The 'Relevant Date' for the purpose of determination of the floor price for issue of the Equity Shares under the Preferential Issue, as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Thursday, August 29, 2024 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Preferential Issue.

6. Name and address of valuer who performed valuation:

The company has obtained the valuation report dated August 29, 2024 issued by Ms. Neha Bhandari, Registered Valuer (IBBI Registration No. IBBI/RV/16/2021/14449), The Valuation Report shall be available for inspection by the members on request.

7. The price or price band at/within which the allotment is proposed:

As stated in clause 4 above, the Equity Shares are proposed to be issued at an issue price of Rs. 2.48/- (Rupees Two and Forty-Eight paise only) per equity share.

8. The class or classes of persons to whom the allotment is proposed to be made:

The Preferential Issue of Equity Shares is proposed to be allotted to the following allottees (part of Promoter & Promoter Group):

| Sr. No. | Name Of The Proposed Allottees | No. Of Equity Shares Proposed To Be Allotted | Price Per Share | Total Amount @Rs. 2.48/- Per Share |
|---------|--------------------------------|----------------------------------------------|-----------------|------------------------------------|
| 1 | Sanjay Chowdhri | 3,29,55,000 | 2.48 | 8,17,28,400 |

9. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel or their relatives intend to subscribe to any Equity Shares pursuant to the Preferential Issue, other than, Mr. Sanjay Chowdhri, Promoter and Mrs. Lalitha Sanjay Chowdhri, Mr. Abhinav Chowdhary, Mr. Pranav Chowdhri relative of Key Managerial Personnel.

10. The proposed time within which the allotment shall be completed:

The Equity Shares shall be allotted by the Company to the Proposed Allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Equity Shares is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

11. The names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Equity Shares proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

| Sr. No. | Name Of The Proposed Allottees | Ultimate Beneficial Owners ('UBO') | Maximum Amount / Up to (Rs.) | @Pre-preferential allotment Shareholding % | #\$*Post-preferential allotment Shareholding % |
|---------|--------------------------------|------------------------------------|------------------------------|--------------------------------------------|------------------------------------------------|
| 1 | Sanjay Chowdhri | NA | 8,17,28,400 | 22.97 | 25.40 |

@ The pre preferential percentage of shareholding has been calculated after considering holding of Sanjay Chowdhri, HUF as set out in Resolution No. 8, as Sanjay Chowdhri is the Ultimate Beneficial Owners of said HUF.

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

\$ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

* The post preferential percentage of shareholding has been calculated after considering warrants allotted to Sanjay Chowdhri, HUF, as set out in Resolution No. 8, as Sanjay Chowdhri is the Ultimate Beneficial Owners of said HUF.

12. The change in control, if any, in the Company that would occur consequent to the preferential offer:

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or control of the Company as a result of the proposed preferential issue.

However, the percentage of shareholding and voting rights exercised by the shareholders of the Company will change in accordance with the change in the shareholding pattern pursuant to the Preferential Allotment.

13. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the year, no allotment on preferential basis has been made.

14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable as the Company has not proposed to issue the shares for consideration other than cash.

15. The pre issue and post issue shareholding pattern of the Company:

The pre issue and the post-issue shareholding pattern of the Company (considering full allotment of equity shares to be issued on preferential basis as per this Notice) is mentioned herein below:

| Sr. No. | Category | Pre-issue | | Post- issue | |
|---------|------------------------------------|---------------------|--------------|---------------------|--------------|
| | | No. of shares | % of Capital | No. of shares | % of Capital |
| A | Promoters & Promoter Group Holding | | | | |
| 1 | Indian | | | | |
| a) | Individuals / HUF | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| b) | Bodies Corporate | - | - | - | - |
| c) | Others | - | - | - | - |
| | Sub-total (A1) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| 2 | Foreign | - | - | - | - |
| a) | Bodies Corporate | - | - | - | - |
| | Sub-total (A2) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| B | Non-Promoters Holding | | | | |
| 1 | Institutional Investors (Domestic) | - | - | - | - |
| 2 | Institutional (Foreign) | - | - | - | - |

| | | | | | |
|---|---------------------------------------|---------------------|---------------|---------------------|---------------|
| 3 | Central Government / State Government | - | - | - | - |
| 4 | Non-institutions | | | | |
| | Indian public | 12,69,85,812 | 50.80 | 30,32,00,812 | 59.08 |
| | NON RESIDENT INDIANS (NRIs) | 15,79,756 | 0.63 | 15,79,756 | 0.31 |
| | Bodies Corporate | 1,17,63,950 | 4.71 | 2,20,43,950 | 4.30 |
| | Others | | | | |
| | Clearing Member | 2,18,621 | 0.09 | 2,18,621 | 0.04 |
| | Hindu Undivided Family | 62,40,351 | 2.50 | 1,00,40,351 | 1.96 |
| | Sub-Total (B) | 14,67,88,490 | 58.73 | 33,70,83,490 | 65.68 |
| C | Non – Promoter Non-Public Holding | | | | |
| | Custodian/DR Holder | 5,000 | 0.00 | 5,000 | 0.00 |
| | Sub-Total (C) | 5,000 | 0.00 | 5,000 | 0.00 |
| | Grand Total (A + B + C) | 24,99,50,000 | 100.00 | 51,32,00,000 | 100.00 |

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

§ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

Note: The above shareholding pattern has been prepared on the basis of shareholding as on August 23, 2024.

16. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

Currently, the Proposed allottees who are holding equity shares in the Company are classified under the 'Promoter and Promoter Group' category.

17. Lock-in Period:

The Equity Shares proposed to be issued to the Investors under the Preferential Issue shall be subject to lock-in, in accordance with the provisions of Chapter V of the SEBI ICDR Regulations.

18. Listing:

The Equity Shares proposed to be allotted to the Proposed Allottees under the Preferential Issue shall be listed and shall be admitted for trading on the main Board of Stock Exchange viz. National Stock Exchange of India Limited, subject to requisite approval from the Stock Exchange.

19. Practicing Company Secretary's Certificate:

As required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate issued by Mr. Rinkesh Gala, proprietor of M/s. Rinkesh Gala & Associates, Practicing Company Secretaries, certifying, inter alia, that the Preferential Issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations shall be placed before the meeting of the members. The said certificate issued by Mr. Rinkesh Gala, is also hosted on the website of the Company at www.supremesteels.com.

20. Undertakings / Confirmations:

- a. The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.
- b. None of the Promoters and/or Directors of the Company are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- c. Neither the Company nor any of its Promoters and/or Directors have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- d. Each of proposed allottees has confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.
- e. As the equity shares of the Company are listed on recognized Stock Exchange for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price. However, the Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid by the respective allottees.

The approval of the members is being sought to enable the Board to issue and allot the Equity Shares on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement. The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members.

None of the Promoters, Directors or Key Managerial Personnel or their relatives in any way concerned or interested, financially or otherwise, in the proposed resolution, other than, Mr. Sanjay Chowdhri, Promoter and Mrs. Lalitha Sanjay Chowdhri, Mr. Abhinav Chowdhary, Mr. Pranav Chowdhri relative of Key Managerial Personnel.

The Board of Directors recommend passing of the special resolution at item no. 7 of the accompanying notice for the approval of the Members of the Company. Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

Item 8:

The Company intends to raise funds from the proposed allottees by issuance of the Warrants for the following purposes:

1. Repayment towards the loan availed by company from Banks;
2. Working Capital Requirements of the Company; and
3. General Corporate Purposes of the Company.

Therefore, the Board, in its meeting held on August 29, 2024, has approved the proposal for issuance of the Warrants to the proposed allottees under the Preferential Issuer as per terms stated in the aforesaid resolution, subject to, inter alia, approval of the members of the Company and shall be on the terms and conditions, as mentioned below:

- a. Pursuant to Regulation 160(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), the allotment of the Warrants (including the Equity Shares to be allotted on conversion of such Warrants) shall be made only in dematerialized form.

- b. In accordance with the provisions of Regulation 161 of ICDR Regulations, the 'Relevant Date' for the Warrant issue is determined to be Thursday, August 29, 2024.
- c. In accordance with the applicable provisions of the ICDR Regulations an amount of Rs. Rs. 0.65/- (Rupees Sixty Five paise only) which is equivalent to 25% (twenty-five per cent) of the Warrant Issue Price shall be paid by the proposed allottees to the Company as upfront payment ("Warrant Subscription Price").
- d. The proposed allottee shall be, subject to the ICDR Regulations and other applicable rules, regulations and laws, entitled to exercise the conversion rights attached to the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed exchanged or converted with / into the Equity Shares of the Company and making payment at the rate of Rs. 1.95/- (Rupees One and Ninety-Five paise only) being 75% (Seventy-five per cent) of the Warrant Issue Price ("Warrant Exercise Price") in respect of each Warrant proposed to be converted by the proposed allottees.
- e. On receipt of such application from the proposed allottees, the Company shall without any further approval from the shareholders of the Company take necessary steps to issue and allot the corresponding number of Equity Shares to the proposed allottees.
- f. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the proposed allottees within the aforesaid period of 18 (eighteen) months, the entitlement of the proposed allottees to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the proposed allottees on such Warrants shall stand forfeited.
- g. The Equity Shares allotted on exercise of the Warrants shall only be in dematerialized form and shall rank pari passu with the then existing Equity Shares of the Company including entitlement to voting powers and dividend.
- h. The proposed issue and allotment of the Warrants and the exercise of option thereof will be governed by the Memorandum and Articles of Association of the Company, the Act, the ICDR Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, as amended, ("Listing Regulations"), applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules / regulations as maybe applicable and subject to necessary approvals / consents, if any, from the statutory and / or regulatory authorities, as maybe applicable including the Securities and Exchange Board of India

This resolution is recommended to the members of the Company for their consideration and approval pursuant to the provisions of Sections 42 and 62 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the provisions of Chapter V of the SEBI ICDR Regulations. The disclosure required in terms of provisions of Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the provisions of Chapter V of the SEBI ICDR Regulations are as follows:

1. Particulars of the offer including date of passing of Board resolution:

The Board, in its meeting held on August 29, 2024, has approved the proposal for the creation, offer, issuance and allotment of up to 4,00,00,000 (Four Crore Only) warrants, each convertible into, or exchangeable for, 1 (one) fully paid up equity share of the Company having face value of Rs. 1/- (Rupees One Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of Rs. 2.60/- (Rupees Two and Sixty paise only) per share including premium of Rs. 1.60/- (Rupees One and sixty paise only) per share

each, payable in cash ("Warrant Issue Price"), aggregating upto Rs. 10,40,00,000/- (Rupees Ten Crore Forty Lakhs Only) ("Issue Size") in one or more tranches.

2. Kinds of securities offered and the price at which security is being offered, and the total/ maximum number of securities to be issued:

The Company propose to issue in one or more tranches up to 4,00,00,000 (Four Crore Only) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of Rs. 1/- (Rupees One Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of Rs. Rs. 2.60/- (Rupees Two and Sixty paise only) per share including premium of Rs. 1.60/- (Rupees One and sixty paise only) per share each, in one or more tranches which is not less than the floor price determined in accordance with Chapter V of the SEBI ICDR Regulations for an aggregate consideration of up to 10,40,00,000/- (Rupees Ten Crore Forty Lakhs Only) ("Issue Size").

3. The Objects of the issue:

The Company intends to raise funds from the proposed allottees by issuance of the Equity Shares for the following purposes:

1. Repayment towards the loan availed by company from Banks;
2. Working Capital Requirements of the Company; and
3. General Corporate Purposes of the Company.

Up to 25% (twenty-five percent) of the Issue Proceeds will be utilised for general corporate purposes, which includes, inter alia, meeting ongoing general corporate exigencies and contingencies, expenses of the Company as applicable in such a manner and proportion as may be decided by the Board from time to time, and/or any other general purposes as may be permissible under applicable laws (referred to below as "General Corporate Purposes").

(collectively referred to below as the "Objects").

4. Basis on which the price has been arrived at along with report of the registered valuer:

In terms of the SEBI ICDR Regulations, the floor price at which the Equity Shares can be issued is Rs. 2.60/- (Rupees Two and Sixty paise only) respectively, as per the pricing formula prescribed under the SEBI ICDR Regulations for the Preferential Issue and is the highest of the following:

- a. 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 1.51/- (Rupees One and Fifty-One paise Only) per equity share;
- b. 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. Rs. 2.47/- (Rupees Two and Forty-Seven paise Only) per equity share.
- c. Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to SEBI ICDR Regulations.

Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

5. Relevant Date with reference to which the price has been arrived at:

The 'Relevant Date' for the purpose of determination of the floor price for issue of the Warrants under the Preferential Issue, as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Thursday, August 29, 2024 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Preferential Issue.

6. Name and address of valuer who performed valuation:

The company has obtained the valuation report dated August 29, 2024 issued by Ms. Neha Bhandari, Registered Valuer (IBBI Registration No. IBBI/RV/16/2021/14449), The Valuation Report shall be available for inspection by the members on request.

7. The price or price band at/within which the allotment is proposed:

As stated in clause f. above, the Warrants are proposed to be issued at an issue price of Rs. 2.60 (Rupees Two and Sixty paise only) per Warrant.

8. The class or classes of persons to whom the allotment is proposed to be made:

The Warrants shall be issued and allotted to the Proposed allottees (part of Promoter & Promoter Group) as detailed herein below:

| Sr. No. | Name Of The Proposed Allottees | Maximum No. of Warrants proposed to be issued and allotted | Price Per Warrants | Total Amount including premium |
|---------|--------------------------------|------------------------------------------------------------|--------------------|--------------------------------|
| 1 | Sanjay R Chowdhri, HUF | 4,00,00,000 | 2.60 | 10,40,00,000 |

9. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

None of the Promoters, Directors or Key Managerial Personnel or their relatives intend to subscribe to any Warrants pursuant to the Preferential Issue, other than, Mr. Sanjay Chowdhri, Karta & Promoter and Mrs. Lalitha Sanjay Chowdhri, Mr. Abhinav Chowdhary, Mr. Pranav Chowdhri relative of Key Managerial Personnel.

10. The proposed time within which the allotment shall be completed:

The Warrants shall be allotted by the Company to the proposed allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Warrants to proposed allottees is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals

11. The names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Warrants proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

| Sr. No. | Name Of The Proposed Allottees | Ultimate Beneficial Owners ('UBO') | Maximum Amount / Up to (Rs.) | @Pre-preferential allotment Shareholding % | #\$*Post-preferential allotment Shareholding % |
|---------|--------------------------------|------------------------------------|------------------------------|--------------------------------------------|------------------------------------------------|
| 1 | Sanjay Chowdhri, HUF | Sanjay Chowdhri | 10,40,00,000 | 22.97 | 25.40 |

@ The pre preferential percentage of shareholding has been calculated after considering holding of Sanjay Chowdhri as set out in Resolution No. 7, as Sanjay Chowdhri is the Ultimate Beneficial Owners of Sanjay

Chowdhri, HUF.

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

§ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

* The post preferential percentage of shareholding has been calculated after considering holding of Sanjay Chowdhri as set out in Resolution No. 7, as Sanjay Chowdhri is the Ultimate Beneficial Owners of said HUF.

12. The change in control, if any, in the Company that would occur consequent to the preferential offer:

There will neither be any change in the composition of the Board nor any change in the control of the company on account of the proposed preferential allotment. However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to preferential allotment.

13. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the year, no allotment on preferential basis has been made.

14. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable as the Preferential Issue is proposed to be made for cash consideration.

15. The pre issue and post issue shareholding pattern of the Company:

The pre issue and the post-issue shareholding pattern of the Company (considering full allotment of equity shares to be issued on preferential basis as per this Notice) is mentioned herein below:

| Sr. No. | Category | Pre-issue | | Post- issue | |
|---------|---------------------------------------|---------------------|--------------|---------------------|--------------|
| | | No. of shares | % of Capital | No. of shares | % of Capital |
| A | Promoters & Promoter Group Holding | | | | |
| 1 | Indian | | | | |
| a) | Individuals / HUF | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| b) | Bodies Corporate | - | - | - | - |
| c) | Others | - | - | - | - |
| | Sub-total (A1) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| 2 | Foreign | - | - | - | - |
| a) | Bodies Corporate | - | - | - | - |
| | Sub-total (A2) | 10,31,56,510 | 41.27 | 17,61,11,510 | 34.32 |
| B | Non-Promoters Holding | | | | |
| 1 | Institutional Investors (Domestic) | - | - | - | - |
| 2 | Institutional (Foreign) | - | - | - | - |
| 3 | Central Government / State Government | - | - | - | - |
| 4 | Non-institutions | | | | |
| | Indian public | 12,69,85,812 | 50.80 | 30,32,00,812 | 59.08 |

| | | | | | |
|---|-----------------------------------|---------------------|---------------|---------------------|---------------|
| | NON RESIDENT INDIANS (NRIs) | 15,79,756 | 0.63 | 15,79,756 | 0.31 |
| | Bodies Corporate | 1,17,63,950 | 4.71 | 2,20,43,950 | 4.30 |
| | Others | | | | |
| | Clearing Member | 2,18,621 | 0.09 | 2,18,621 | 0.04 |
| | Hindu Undivided Family | 62,40,351 | 2.50 | 1,00,40,351 | 1.96 |
| | Sub-Total (B) | 14,67,88,490 | 58.73 | 33,70,83,490 | 65.68 |
| C | Non – Promoter Non-Public Holding | | | | |
| | Custodian/DR Holder | 5,000 | 0.00 | 5,000 | 0.00 |
| | Sub-Total (C) | 5,000 | 0.00 | 5,000 | 0.00 |
| | Grand Total (A + B + C) | 24,99,50,000 | 100.00 | 51,32,00,000 | 100.00 |

Assuming completion of the preferential allotment to Proposed Allottees (as set out in Resolution No. 6, 7 and 8)

§ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

Note: The above shareholding pattern has been prepared on the basis of shareholding as on August 23, 2024.

16. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

Currently, the Proposed allottees is classified under the ‘Promoter and Promoter Group’ category.

17. Lock-in Period:

The pre-preferential allotment shareholding of the proposed allottees, if any, in the Company and Warrants allotted in terms of this resolution and the resultant Equity Shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as per the provisions of the ICDR Regulations.

18. Listing:

Post conversion of Warrants into Equity Shares to be allotted to the proposed allottees under the Preferential Issue shall be listed and shall be admitted for trading on the main Board of Stock Exchanges viz. National Stock Exchange of India Limited, subject to requisite approval from the Stock Exchange.

19. Practicing Company Secretary’s Certificate:

As required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate issued by Mr. Rinkesh Gala, proprietor of M/s. Rinkesh Gala & Associates, Practicing Company Secretaries, certifying, inter alia, that the Preferential Issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations shall be placed before the meeting of the members. The said certificate issued by Mr. Rinkesh Gala, is also hosted on the website of the Company at www.supremesteels.com.

20. Undertakings / Confirmations:

- a. The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.

- b. None of the Promoters and/or Directors of the Company are a fugitive economic offender as defined under the SEBI ICDR Regulations.
- c. Neither the Company nor any of its Promoters and/or Directors have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.
- d. Each of proposed allottees has confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.
- e. As the equity shares of the Company are listed on recognized Stock Exchange for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price. However, the Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid by the respective allottees.

The approval of the members is being sought to enable the Board to issue and allot the Equity Shares on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement. The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members.

None of the Promoters, Directors or Key Managerial Personnel or their relatives in any way concerned or interested, financially or otherwise, in the proposed resolution, other than, Mr. Sanjay Chowdhri, Karta & Promoter and Mrs. Lalitha Sanjay Chowdhri, Mr. Abhinav Chowdhary, Mr. Pranav Chowdhri relative of Key Managerial Personnel.

The Board of Directors recommend passing of the special resolution at item no. 8 of the accompanying notice for the approval of the Members of the Company. Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

**By order of the Board
For and on behalf of Supreme Engineering Limited**

Sanjay Chowdhri
Managing Director
DIN: 00095990

Date: August 29, 2024
Place: Navi Mumbai

DIRECTORS' REPORT

To
The Members,

Your directors are pleased to present the 37th Annual Report of Supreme Engineering Limited (“the Company”) together with the audited financial statements for the year ended March 31, 2024.

FINANCIAL SUMMARY AND HIGHLIGHTS:

(Rs. In lakhs)

| Particulars | FY 2023-24 | FY 2022-2023 |
|-----------------------------------------------|-------------------|-------------------|
| Total Income | 2,543.41 | 1,884.87 |
| Profit before tax | (824.31) | (10,198.85) |
| Profit /(Loss) after tax | (1,101.52) | (9,833.73) |
| Profit/(Loss) b/f from previous period | (3,348.92) | (6,484.81) |
| Prior period adjustment | -- | -- |
| Profit for Appropriation Sub Total (A) | (4,450.44) | (3,348.92) |
| Transfer to General Reserve | -- | -- |
| Transfer to Capital Redemption Reserve | -- | -- |
| Sub Total (B) | -- | -- |
| Balance carried to Balance sheet (A-B) | (4,450.44) | (3,348.92) |

STATE OF THE COMPANY'S AFFAIRS:

During the year under review, the Company has earned on a standalone basis the total income for the Financial Year ended March 31, 2024 stood at Rs. 2,543.41/- Lakhs as against an income of Rs. 1,884.87/- Lakhs for the Financial Year ended March 31, 2023. The Company incurred a Loss before tax of Rs. 824.31/- Lakhs for the Financial Year ended March 31, 2024 as against a Loss before tax of Rs. 10,198.85/- for the Financial Year ended March 31, 2023. The Company reported a net Loss of Rs. 1101.52/- Lakhs for the Financial Year ended March 31, 2024 as against net profit of Rs. 9,833.73/- for the Financial Year ended March 31, 2023.

Your Directors are hopeful of better performance in the forthcoming year.

TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to the General Reserve.

DIVIDEND:

The Board of Directors of your Company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review and retain the profits of the Company for its future growth.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed Dividend in the books or any Unpaid Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply to your Company.

CHANGE IN NATURE OF BUSINESS:

There has been no change in the business of the Company during the financial year ending March 31, 2024.

SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY:

The Company has no subsidiaries/joint venture/ associate for the Financial Year 2023-24.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the financial year for the Company i.e. March 31, 2024, and the date of this Board's Report i.e., August 28, 2024.

SHARE CAPITAL:

The paid up Equity Share Capital as at March 31, 2024 stood at Rs. 2499.50 Lakhs. During the year under review, the Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2024, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

ANNUAL RETURN:

Pursuant to Section 92(3) and Section 134(3) (a) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return has been uploaded on the Company's website on <https://www.supremesteels.com/>

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of the Company is duly constituted in accordance with the requirements of the Act read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

A) Directors:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Ms. Lalita Chowdhri (DIN 00096419), is liable to retire by rotation at the forthcoming AGM and being eligible offers herself for re-appointment.

The Board recommends the re-appointment of Ms. Lalita Chowdhri (DIN 00096419), for the consideration of the Members of the Company at the ensuing AGM. The relevant details, including profile of Ms. Lalita Chowdhri (DIN 00096419), is included separately in the Notice of AGM.

During the year under review, Mrs. Reema Ayaz Versey, tendered her resignation as a Director of the Company due to personal reasons with effect from October 30, 2023.

During the year under review, on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on October 30, 2023, appointed Ms. Priya Dilipbhai Shah (DIN: 07594589), as an Additional Director, on the Board of the Company in the category of Non-Executive & Independent Director to hold office for a term of 5 (five) consecutive years from October 30, 2023 to October 29, 2028. Her appointment is not liable to retire by rotation and was approved, and regularised as Independent Director by the shareholders in its EGM held on January 27, 2024.

As on the date of this Report, the Company's Board comprises of six ((6) Directors viz. 1 Non Executive-Non Independent Director, 2 Executive Directors and 3 Non-Executive Independent Directors including women Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and also with the provisions of the Act.

B) Independent Directors:

All Independent Directors of the Company have given declarations under Section 149(7) of the Act that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) and other applicable provisions of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) and other applicable provisions of the SEBI Listing Regulations.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company at <https://www.supremesteels.com/> .

In compliance with the requirement of SEBI Listing Regulations, the Company has put in place a familiarization programme for the independent directors to familiarize them with their role, rights and responsibility as directors, the working of the Company, nature of the industry in which the

Company operates, business model, etc. The details of familiarization programme are explained in the Corporate Governance Report and the same are also available on the website of the Company at <https://www.supremesteels.com/> .

C) Key Managerial Personnel:

Pursuant to the provisions of Sections 2(51) and 203 of the Act, read with the Rules framed thereunder, the following are the Key Managerial Personnel of the Company:

- Mr. Sanjay Chowdhri, Managing Director
- Mr. Pranav Sanjay Chowdhri, CEO
- Mr. Sadashiv Sankappa Bangera, CFO
- *Ms. Varsha Dhandharia – Company Secretary
- *Mr. Hemant Agarwal* - Company Secretary – resigned on July 12, 2023

**During the financial year, Varsha Dhandharia was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 11.10.2023 and has resigned from the post of Company Secretary and Compliance Officer w.e.f. 22.04.2024.*

D) Committees of the Board:

The Company has Three Board Committees as on March 31, 2024:

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders Relationship Committee

During the year, all recommendations made by the committees were approved by the Board.

Details of all the committees along with their main terms, composition and meetings held during the year under review are provided in the Report on Corporate Governance, a part of this Annual Report.

E) Nomination and Remuneration Policy:

The Board of Directors has framed a policy which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel, Senior Management, and other employees of the Company (“Policy”). The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The Policy also provides the criteria for determining qualifications, positive attributes and independence of Director and criteria for appointment of Key Managerial Personnel/Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors whilst taking a decision on the potential candidates.

The salient features of the Nomination and Remuneration Policy of the Company are outlined in the Corporate Governance Report which forms part of this Annual Report. The Policy is also available on the website of the Company at <https://www.supremesteels.com/>.

F) Whistle Blower Policy /Vigil Mechanism:

As per the provisions of Section 177(9) and (10) of the Act and Regulation 22 of the Listing Regulations, the Company has adopted a Whistle Blower Policy for establishing a vigil mechanism for Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and provide adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases. The said policy has been hosted on the Company's website at <https://www.supremesteels.com/>.

G) Performance Evaluation:

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board and of the Committees of the Board, by way of individual and collective feedback from Directors. The manner in which the evaluation was conducted by the Company and evaluation criteria have been explained in the Corporate Governance Report which forms part of this Annual Report.

The Board of Directors has expressed its satisfaction with the evaluation process.

H) Number of Meetings of the Board:

During the financial year ended March 31, 2024, 09 (Nine) Board Meetings were held i.e. on June 01, 2023, August 14, 2023, September 07, 2023, October 11, 2023, October 30, 2023, November 10, 2023, January 05, 2024, February 13, 2024, March 29, 2024.

The particulars of attendance of the Directors at the said meetings are detailed in the Corporate Governance Report of the Company, which forms a part of this Report.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

I) Remuneration of Directors, Key Managerial Personnel and Senior Management:

The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 read with Schedule II of the Listing Regulations. Further details on the same are given in the Corporate Governance Report which forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3) (c) read with Section 134(5) of the Act, the Directors of the Company state and confirm that:

- A. in the preparation of the annual accounts for the financial year 2023-24, the applicable accounting standards had been followed and there are no material departures from the same.
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit and loss of the Company for that period;
- C. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D. the directors had prepared the annual accounts on a going concern basis.
- E. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEE, AND INVESTMENTS:

The particulars of loans, guarantees and investments as per Section 186 of the Act read with the Companies (Meeting of Board and its powers) Rules, 2014 as on March 31, 2024, have been disclosed in the Notes to the Financial Statements of the Company.

CORPORATE SOCIAL RESPONSIBILITY:

In line with the provisions of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your company is not governed by the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

So, the Company is not required to conduct CSR activities.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 requires disclosure of the particulars regarding conservation of Energy and Technology absorption. The Company on continues basis undertakes programs of conserving energy. The details of the same are as follows:

A. Conservation of energy

Steps taken/ impact on Conservation of energy, with special reference to the following:

- (i) Steps taken by the Company for optimizing electrical consumption:

Steps taken by company for optimizing electrical consumption: Installation of capacitors for reduction of PF thereby saving electricity consumption.

- (ii) Capital Investment on energy conversion equipment's – N.A.

B. Technology absorption:

1. Efforts in brief made towards technology absorption –N.A.
2. Benefits derived as a result of the above efforts, for e.g., products improvement, cost reduction, product development, import substitution, etc, – N.A.
3. No technology was imported during the last 3 years – N.A.
4. Expenditure incurred on Research and Development – N.A.

C. Foreign exchange earnings and Outgo

Foreign Exchange Earnings/ Outgo:

The details of Foreign Exchange Earnings and outgo are as follows:

| Particulars | For the year ended 31st March, 2024 | For the years ended 31st March 2023 |
|----------------------------------------------------|-------------------------------------|-------------------------------------|
| Foreign Exchange Earnings - F.O.B value of exports | 306.15 | 22.99 |
| Foreign Exchange Outgo - Travelling Expenses | 18.50 | 1.37 |

RISK MANAGEMENT:

The Audit Committee has been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to.

APPLICATION / PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (“IBC”):

During the year under review, an order for initiation of CIRP was duly pronounced by NCLT vide order no. C.P (IB)/920/MB/C-III/2022 dated January 11, 2024.

However, an application filed under 12A by OC through IRP, Mr. Umesh Balaram Sonkar, before constitution of COC, was accepted for withdrawal of CIRP by the National Company Law Tribunal (NCLT), Petition No. 920 of 2022 in view of the settlement agreement dated 31.01.2024 entered into between the Operational Creditor and the Corporate Debtor.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review, there are no significant material orders passed by the Regulators/Courts that would impact the going concern status of the Company and its future operations.

AUDITORS:

A) Statutory Auditors & their Report:

S. R. Dhariwal & Co, Chartered Accountants, bearing (FRN: 102455W), were appointed as a Statutory Auditors of the Company, in the Extra-Ordinary General Meeting held on June 13, 2022 for the period of three financial year commencing from FY 2021-22 till FY 2023-24. S. R.

Dhariwal & Co, Chartered Accountants, being eligible, offer themselves for re-appointment for a period of 5 years i.e. from the conclusion of ensuing AGM until conclusion of AGM held in 2029-30

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The qualification, reservation and adverse remarks are mentioned in the Auditor's Report.

B) Secretarial Auditor & their Report:

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. HRU & Associates, Practicing Company Secretaries, for conducting Secretarial Audit of the Company for the FY ended on March 31, 2024.

Secretarial Audit Report issued by Mr. Hemanshu R. Upadhyay in Form MR-3 forms part to this Report as "**Annexure- A**". The Secretarial Auditor has qualified the Secretarial Audit Report dated August 28, 2024.

The Management ensured to comply with all the provisions are compiled to the fullest extent.

A Secretarial Compliance Report for the FY ended March 31, 2024, on compliance of all applicable SEBI regulations and circulars/guidelines issued thereunder, was obtained from Mr. Hemanshu R. Upadhyay, Practicing Company Secretary, and submitted to the stock exchange.

C) Cost Auditor:

Pursuant to section 148 (3) of the Companies Act, 2013 and Rule 6(2) of the Companies (Cost records and Audit Rules) 2014, Dinesh Jain & Company, Cost Accountants, (Registration No. 100583) are appointed as the Cost Auditors of the Company to conduct audit of cost records made and maintained by the Company for Financial year commencing on 1st April, 2023 and ending on 31st March, 2024.

During the year under review, the audit process remains incomplete; therefore, the remarks for the Financial Year 2023-24 have not yet been finalized or issued.

D) Reporting of Frauds:

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

DISCLOSURE UNDER PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT:

The Company has adopted a Sexual Harassment Policy on prevention, prohibition, and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The aim of the policy is to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Policy is available at the Registered Office of the Company and is accessible to all the employees of the Company. The Company has not received any complaints during the FY under review.

PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Sections 73 to 76A of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE:

Report on Corporate Governance and Certificate of the Auditor of the Company regarding compliance of the conditions of Corporate Governance as stipulated in Part C of Schedule V of the Listing Regulations, are provided in a separate section forming part of this Report as “**Annexure B**”.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to the financial statements. Internal audits are undertaken on a quarterly basis by Internal Auditors covering all units and business operations to independently validate the existing controls. Reports of the Internal Auditors are regularly reviewed by the management and corrective action is initiated to strengthen the controls and enhance the effectiveness of the existing systems. The Audit Committee evaluates the efficiency and adequacy of the financial control system in the Company and strives to maintain the standards in the Internal Financial Control.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS:

All transactions entered with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm’s length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company and hence, enclosing Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

PARTICULARS OF EMPLOYEES:

During the year under review, no employee was in receipt of remuneration exceeding the limits as prescribed under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to median employee’s remuneration is made available at the corporate office of the Company during working hours for a period of twenty-one (21) days before the date of the meeting.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has complied with the applicable mandatory Secretarial Standards.

APPRECIATION & ACKNOWLEDGEMENTS:

The Board wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees of the Company. The Directors take this opportunity to express their grateful appreciation for the encouragement, cooperation and support received from all the stakeholders including but not limited to the Government authorities, bankers, customers, suppliers and business associates. The Directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board
Supreme Engineering Limited,

Sanjay Chowdhri
Chairman and Managing Director
DIN: 00095990

Date: August 28, 2024
Place: Navi Mumbai

FORM NO. MR-3
Secretarial Audit Report

For the Financial Year ended March 31, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SUPREME ENGINEERING LIMITED
R.223, Midc Complex, Thane, Belapur Road,
Rabale, Navi-Mumbai- 400701.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SUPREME ENGINEERING LIMITED** (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2024 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **SUPREME ENGINEERING LIMITED** ("the Company") for the financial year ended on 31st March, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vi) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. Except mentioned above subject to the following as per Annexure -A:

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, whichever is applicable.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items and obtaining shorter consents wherever necessary before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had no specific event /action having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc.

for **HRU & Associates**
Practicing Company Secretaries

Hemanshu Upadhyay
Proprietor
ACS No.46800 | C.P. No.20259
Peer Review No: 3883/2023

UDIN: A046800F001092933

Place: Mumbai
Date: August 28, 2024

Annexure-A

| Regulation/ Circular No. | Deviations | Action Taken By | Type of Action | Details of Violation | Fine Amount | Observations/ Remarks of the Practicing Company Secretary | Management Response | Remarks |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|
| Reg-24A | The Company delayed the filing of Annual Compliance Report within the prescribed timeframe i.e. on or before May 30, 2023 for the financial year ended March 31, 2023. | NSE | Fine | The Company delayed the filing of Annual Compliance Report within the prescribed timeframe i.e. on or before May 30, 2023 for the financial year ended March 31, 2023. | 72000+TAX | The Company delayed the filing of Annual Compliance Report within the prescribed timeframe i.e. on or before May 30, 2023 for the financial year ended March 31, 2023. However the Company submitted the same on 26.06.23 | There was delay in reporting of Annual Compliance report for the year ended March 31, 2023 as the Company was facing various technical issues and the same was emailed to NSE and the Company able to submit the report on June 26, 2023 with the held of NSE team. | Not paid as the Company applied for the waiver of SOP fine levied |
| Reg23(9) | The Company has failed to disclose the RPT to the exchange for the half year ended September 30, 2023 after adoption of results for the second quarter and half year ended 30.09.2023 | NSE | Fine | The Company has failed to disclose the RPT to the exchange for the half year ended September 30, 2023 after adoption of results for the second quarter and half year ended 30.09.2023 | 15000+GST | The Company has failed to disclose the RPT to the exchange for the half year ended September 30, 2023 after adoption of results for the second quarter and half year ended 30.09.2023. However, the Company submitted the same on 15.11.23 | The Company has failed to disclose the RPT to the exchange for the half year ended September 30, 2023 after adoption of results for the second quarter and half year ended 30.09.2023 as the Company was not having any RPT. However, the Company submitted the same on 15.11.23. | Not paid as the Company applied for the waiver of SOP fine levied |
| Reg. 31(b) | The Company was required to submit SHP on or before 21 days from the quarter end. However, the Company delayed in the submitting the same for the quarter ended June 30, 2023. | NSE | Fine | The Company was required to submit SHP on or before 21 days from the quarter end. However, the Company delayed in the submitting the same for the quarter ended June 30, 2023. | 40000+ Tax | The Company was required to submit SHP on or before 21 days from the quarter end. However, the Company submitted the same for the quarter ended June 30, 2023, on 12.08.23 | Due to financial stress, the Company was unable to make payment to CDSL and due to the same Benpose got generated late and submitted the SHP 12.08.23 | Not paid as the Company applied for the waiver of SOP fine levied |

| | | | | | | | | |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Reg. 33 | The Company was required to adopt Financials for the Q4 and year ended March 31, 2023 within 60 days from the quarter end. However, the Company delayed the same | NSE | Fine | The Company was required to adopt Financials for the Q4 and year ended March 31, 2023 within 60 days from the quarter end. However, the Company delayed the same | 10000+tax | The Company was required to adopt Financials for the Q4 and year ended March 31, 2023 within 60 days from the quarter end. However, the Company adopted the same on June 1, 2023. | The Company was required to adopt Financials for the Q4 and year ended March 31, 2023 within 60 days from the quarter end. However, the Company adopted the same on June 1, 2023. | Fine paid and complied |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|

Annexure - B

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2024, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The ethical values are the foundation of Company's governance philosophy which has become a part of its culture. We feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business. We strongly believe that in business, there is something more important than just top line and bottom line and hence, each of us needs to strive towards producing our very best in all we do, so that, we not only fulfill the needs of each and every consumer, but also far exceed their expectations. This is what has set us apart and this may be the very reason that we have been able to enjoy a very special relationship with our consumers. After all, when you strive, with every sinew to be the best you can be, it will show.

Corporate Governance is about commitment to values and ethical business conduct. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislations.

The Company emphasizes on the need for complete transparency and accountability in all its dealings to protect stakeholder's interests. The governance framework encourages the efficient utilization of resources and accountability for stewardship. The Board considers itself as the custodian of trust and acknowledges its responsibilities towards stakeholders for wealth creation sustainably and responsibly.

2. GOVERNANCE STRUCTURE:

The Corporate Governance structure of the Company is as follows:

Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view

to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee. Each of the aforesaid Committees has been mandated to operate within a given framework.

Chairman: The primary role of the Chairman is to provide leadership to the Board in achieving goals of the Company. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board.

Executive Directors: The Executive Directors, as members of the Board and Core Management Committees, contribute to the strategic management of the Company's businesses within Board approved direction and framework. They assume overall responsibility for strategic management of business and corporate functions including its governance processes and top management effectiveness.

Non-Executive Directors including Independent Directors: Non- Executive Directors play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board meetings like formulation of business strategies, monitoring of performances, etc.

3. BOARD OF DIRECTORS:

The Company's Board comprises people of eminence and repute who bring the required skills, competence and expertise that allow them to make an effective contribution to the Board and its Committees. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Board of Directors as at the end of March 31, 2024, comprised of Six (6) Directors viz. 1 Non Executive-Non Independent Director, 2 Executive Directors and 3 Non-Executive Independent Directors including women Director.

The Chairman of the Board is an Executive Director.

None of the Directors on the Board is a Director in more than 7 listed entities. None of the Independent Director is an Independent Director in more than 7 listed entities as required under the Listing Regulations.

Further, the Managing Director and the Executive Directors do not serve as Independent Directors in any listed company. None of the Directors hold Directorships in more than 20

Indian companies, with more than 10 public limited companies. None of the Directors on the Board is a member of more than 10 Committees or Chairman of 5 Committees (i.e. Audit Committee and Stakeholders Relationship Committee) across all Public Companies in India, in which he/she is a Director. Requisite disclosures of their committee positions have been received from all the Directors. All Directors are in compliance with the provisions for limit on Directorships/Independent Directorships of listed companies as envisaged under Regulation 17A of the Listing Regulations. The Company has received declarations on criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations from the Independent Directors of the Company.

a) Composition of Board of Directors:

The Composition of the Board of Directors as at the end of financial year as well as details of outside directorships and other board committees of which the Company's Directors are members excluding KIL is as under:

| Name of Director | Category | No of Directorship in listed entities including this listed entity | No of Board Committees in which Chairman / Member | | List of Directorship held in Other Listed Companies and Category of Directorship |
|-------------------------------------------|----------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------|----------------------------------------------------------------------------------|
| | | | Chairman | Member | |
| Sanjay Chowdhri DIN: 00095990 | Chairman & Managing Director | 1 | 1 | 1 | 0 |
| Abhinav Sanjay Chowdhary DIN: 07121484 | Executive-Director | 1 | 0 | 1 | 0 |
| Lalitha Sanjay Chowdhri DIN: 00096419 | Non-Executive-Non-Independent Director | 1 | 0 | 1 | 0 |

| | | | | | | |
|------------------------------------------------------------------|-----------|------------------------------------|---|---|---|---|
| Priya Dilipbhai Shah DIN: 07594589 Appointed 30/10/2023 | w.e.f. | Non-Executive-Independent Director | 2 | 0 | 2 | 1 |
| Prakash Deshmukh DIN: 02376494 | Vithalrao | Non-Executive-Independent Director | 1 | 1 | 0 | 0 |
| Sanjeev Khandelwal DIN: 08780152 | Ishwari | Non-Executive-Independent Director | 1 | 0 | 1 | 0 |

b) Board Meetings and Annual General Meeting:

The meetings of the Board of Directors are scheduled well in advance and usually held in Mumbai. The Board meets at least once a quarter inter- alia, to review the quarterly performance and financial results.

The notice and detailed agenda along with the draft of relevant resolutions, documents and explanatory notes, wherever required, are sent well in advance to enable the Board members to take informed decisions. The Board periodically reviews the strategy, annual business plan, business performance of the Company, Risk Management matters. The Board also reviews the compliance reports of the laws applicable to the Company, Internal Financial Controls and Financial Reporting Systems, adoption of quarterly/annual results, Minutes of committees of the Board.

The necessary quorum was present for all the meetings.

During the financial year ended March 31, 2024, 09 (Nine) Board Meetings were held i.e. on June 01, 2023, August 14, 2023, September 07, 2023, October 11, 2023, October 30, 2023 , November 10, 2023, January 05, 2024, February 13, 2024, March 29, 2024.

The last AGM i.e. the 37th Annual General Meeting of the Company was held on Saturday, September 30, 2023, at 12:00 noon

Details of attendance of each Director at the Board Meetings and at the Annual General Meeting is reproduced below:

| Name of the Director | No. of Board Meetings Held and Attended during the year | | Whether attended last AGM held on 30 th , September, 2023 |
|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------|----------|----------------------------------------------------------------------|
| | Held/entitled | Attended | |
| Mr. Sanjay Chowdhri | 09 | 09 | Yes |
| Mr. Abhinav Sanjay Chowdhary | 09 | 09 | Yes |
| Ms. Priya Dilipbhai Shah <i>(appointed as Non-Executive -Independent Director on October 30, 2023)</i> | 05 | 05 | NA |
| Mrs. Lalitha Sanjay Chowdhri | 09 | 09 | Yes |
| Mr. Prakash Vithalrao Deshmukh | 09 | 09 | Yes |
| Mr. Sanjeev Ishwari Khandelwal | 09 | 09 | Yes |
| Mrs. Reema Versey <i>(Resigned w.e.f. October 30, 2023)</i> | 06 | 06 | Yes |

c) Board Independence:

The Company has received a declaration from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board is of the opinion that the Independent Directors fulfill the conditions specified in the Act and the Listing Regulations and that they are independent of the management.

Equity Shareholding of Directors as on March 31, 2024:

| Sr No. | Name of the Director | DIN | No. of Shares |
|--------|----------------------------|----------|---------------|
| 1 | Sanjay Chowdhri | 00095990 | 56593000 |
| 2 | Abhinav Sanjay Chowdhary | 07121484 | 7500000 |
| 3 | Lalitha Sanjay Chowdhri | 00096419 | 17120000 |
| 4 | Prakash Vithalrao Deshmukh | 02376494 | 0 |
| 5 | Sanjeev Ishwari Khandelwal | 08780152 | 0 |
| 6 | Priya Dilipbhai Shah | 07594589 | 0 |

d) Familiarization Programme for Independent Directors:

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company.

The Director is also explained in detail the compliances required from him/her under the Act, the SEBI Listing Regulations and other statutes and an affirmation is obtained. The Chairman & Managing Director also has a one to one discussion with the newly appointed Director to familiarise him/her with the Company's operations. Further, on an ongoing basis as a part of agenda of Board/Committee meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiary, associate and joint venture companies operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the IDs under various statutes and other relevant matters.

Details of the programme for familiarisation of Independent Directors are available on the website of the Company at <https://www.supremesteels.com>

e) Board Membership

The Company believes that a diverse skill set is required to avoid group thinking and to arrive at balanced decisions. The Nomination & Remuneration Committee is primarily responsible for formulating the criteria for determining qualifications, positive attributes and independence of a Director. It identifies the persons as potential candidates who are qualified to be appointed as Directors and recommend to the Board their appointment and removal. The Board has sufficient breadth of skills in areas of industry, finance, management, law and technology.

f) The Directors have identified the list of core skills/expertise/competencies as required for them to function effectively as follows and the Board believes that Directors of the Company possess these skills/expertise/competencies, which helps the Company function effectively:

| Skills identified | Sanjay Chowdhri | Abhinav Sanjay Chowdhary | Lalitha Sanjay Chowdhri | Prakash Vithalrao Deshmukh | Sanjeev Ishwari Khandelwal | Priya Dilipbhai Shah |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------|-------------------------|----------------------------|----------------------------|----------------------|
| Knowledge: - to understand the Company's business, policies, culture, mission, vision, values, goals, current strategic plan, governance structure, major risks and threats and potential opportunities and knowledge of the industry in which the Company operates. | Yes | Yes | Yes | Yes | Yes | Yes |
| Inter-personal:- Attributes and competencies to use their knowledge and skills to function well as team members of the Board/Committee and to interact with stakeholders of the Company. | Yes | Yes | Yes | Yes | Yes | Yes |
| Analytic and decision making: - Ability to enhance and contribute to effective decision making. | Yes | Yes | Yes | Yes | Yes | Yes |
| Finance, Taxation, Banking, Investment, Treasury and Forex Management. | Yes | Yes | Yes | Yes | Yes | Yes |
| Technical/Professional:- Technical/Professional skills and specialized knowledge to assist the ongoing aspects of the business. | Yes | Yes | Yes | Yes | Yes | Yes |
| Business Development & Marketing | Yes | Yes | Yes | Yes | Yes | Yes |

g) Separate meeting of Independent Directors

During FY 2023-24, the Independent Directors met separately on March 29, 2024 without the presence of Non-Independent Directors and members of the management in compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act. At the said meeting, the Independent Directors, inter-alia, considered the following:

- i. Reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. Reviewed the performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

h) Independent Director databank registration:

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

i) Disclosure of relationships between directors inter-se:

| Name of Director | Designation | Relationship with Directors |
|---------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Sanjay Chowdhri | Chairman cum Managing Director | - Spouse of Mrs. Lalitha Sanjay Chowdhri, Non-Executive-Non-Independent Director of the Company. -Father of Mr. Abhinav Sanjay Chowdhary, Executive Director of the Company. Father of Mr. Pranav Chowdhri, CEO of the Company |

| | | |
|-------------------------------|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Abhinav Sanjay Chowdhary | Executive Director | -Son of Mr. Sanjay Chowdhri, Chairman & Managing Director of the Company. - Son of Mrs. Lalitha Sanjay Chowdhri, Non-Executive-Non-Independent Director of the Company. |
| Mgrs. Lalitha Sanjay Chowdhri | Non-Executive-Non-Independent Director | -Spouse of Mr. Sanjay Chowdhri, Chairman & Managing Director of the Company. -Mother of Mr. Abhinav Sanjay Chowdhary, Executive Director of the Company. -Mother of Mr. Pranav Chowdhri, CEO of the Company |

4. COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and require a closer review. The Board Committees are formed with the approval of the Board.

The Chairman of the respective Committee(s) brief the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as and when appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The terms of reference of the Committees are in line with the provisions of the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder.

The Company currently has 3 (Three) Committees of the Board, namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

I. AUDIT COMMITTEE:

Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. As on FY end The Audit Committee comprises of one Executive Director and two Independent Directors each possessing sound knowledge on accounts, audit, finance, taxation, internal controls etc. The previous AGM of the Company was held on 30 September, 2023, and was attended by the Chairman of the Audit Committee.

The committee met five times during the FY under purview on June 01, 2023, August 14, 2023, October 30, 2023, November 11, 2023 and February 13, 2024.

The details of the composition of the Committee and attendance of the Members during the FY are as follows:

| Sr. No. | Members | Category | Position held in the Committee | No. of meetings held | No. of meetings attended |
|---------|----------------------------|----------------------|--------------------------------|----------------------|--------------------------|
| 1. | Prakash Vithalrao Deshmukh | Independent Director | Chairperson | 05 | 05 |
| 2. | Abhinav Sanjay Chowdhary | Executive Director | Member | 05 | 05 |
| 3. | Sanjeev Ishwari Khandelwal | Independent Director | Member | 05 | 05 |

Brief description of terms of reference:

The terms of reference of the Audit Committee as stated below is in line with what is mandated in Regulation 18 of the SEBI Listing Regulations and Section 177 of the Act:

- A) 1. Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the Board for approval, with particular reference to:
- matters required to be included in the Director’s Responsibility Statement to be included in the Boards' report in terms of clause (c) of subsection 3 of Section 134 of the Act.
 - changes, if any, in accounting policies and practices and reasons for the same.
 - major accounting entries involving estimates based on the exercise of judgment by management.
 - significant adjustments made in the financial statements arising out of audit findings.
 - compliance with listing and other legal requirements relating to financial statements.
 - disclosure of any related party transactions.

g) modified opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval including the financial statements, in particular, the investments made by unlisted subsidiary(is);
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the Internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
21. To review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.
22. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

B) Review of the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Management letters/letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
5. Statement of deviations:
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus / notice in terms of Regulation 32(7).

The Statutory Auditors and Internal Auditors (whenever required) are invited to attend the meetings of the Committee to provide such information and clarifications as required by the Committee, which gives a deeper insight into the financial reporting.

II. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in line with the provisions of Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee presently consists of one Non-Executive Director and two Independent Directors. The previous AGM of the Company was held on September 30, 2023 and was attended by the Chairman of the Nomination and Remuneration Committee.

Three meetings of the Committee was held during the year under purview on October 11, 2023, October 30, 2023 and March 29, 2024.

The details of the composition of the Committee and attendance of the Members during the FY are as follows:

| Sr. No. | Members | Category | Position held in the Committee | No. of meetings held | No. of meetings attended |
|---------|----------------------------|------------------------|--------------------------------|----------------------|--------------------------|
| 1. | Sanjeev Ishwari Khandelwal | Independent Director | Chairperson | 03 | 03 |
| 2. | Lalitha Sanjay Chowdhri | Non-Executive Director | Member | 03 | 03 |
| 3. | Prakash Vithalrao Deshmukh | Independent Director | Member | 03 | 03 |

a) Brief description of terms of reference

The broad terms of reference of Nomination and Remuneration Committee as stated below is in compliance with Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.
2. Every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
4. While formulating the policy, to ensure that:
 - a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
5. To take into account financial position of the company, trend in the industry, appointees qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders while approving the remuneration payable to managing director, whole time director or manager.
6. To lay down/formulate the evaluation criteria for performance evaluation of independent directors and the Board.
7. To devise a policy on Board diversity.
8. To ensure 'Fit & Proper' status of the proposed/existing directors.
9. To recommend to Board, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
10. To review and approve the remuneration and change in remuneration payable to whole-time directors.

11. To recommend to Board, all remuneration payable to senior management (i.e. members of the core management team one level below the chief executive officer/managing director/whole time director and shall specifically include Company Secretary and Chief Financial Officer); and
12. To undertake specific duties as may be prescribed by the board from time to time.

Performance Evaluation:

Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared covering various aspects of the Boards' functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of independent directors was done by the entire Board, excluding the director being evaluated. A separate exercise was carried out to evaluate the performance of Individual Directors. The Chairman of the Board of Directors interacted with all the Directors individually to get an overview of the functioning of the Board/Committees, inter alia, on the following broad criteria i.e. attendance and level of participation at meetings of the Board/committees, independence of judgment exercised by Independent Directors, interpersonal relationship and so on.

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non- Executive Directors. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board.

Based on the inputs received from the Directors, an action plan is being drawn up in consultation with the Directors to encourage their greater engagement with the Company.

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Act. The Committee presently consists of three Directors out of which one is an Independent Director, one Non-Executive Director and one Executive Director. The previous AGM of the Company was held on September 30, 2023, and was attended by the Chairman of the Stakeholders' Relationship Committee.

One meeting of the Committee was held during the year under purview on March 29, 2024.

a) The details of the composition of the Committee and attendance of the Members during the FY are as follows:

| Sr. No. | Members | Category | Position held in the Committee | No. of meetings held | No. of meetings attended |
|---------|---------------------------------------------------------|----------------------------------|--------------------------------|----------------------|--------------------------|
| 1. | Lalitha Sanjay Chowdhri | Non-Executive Director | Chairperson | 01 | 01 |
| 2. | Sanjay Chowdhri | Chairperson & Executive Director | Member | 01 | 01 |
| 3. | Priya Dilipbhai Shah | Independent Director | Member | 01 | 01 |
| 4. | Reema Ayaz Versey (resigned w.e.f. October 30, 2023) | Independent Director | Member | 01 | NA |

b) Brief description of terms of reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

- i. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii. Review of measures taken for effective exercise of voting rights by shareholders.
- iii. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

c) Name and designation of Compliance Officer:

There is no Company Secretary and Compliance Officer appointed in the Company.

d) Details of Shareholders' Complaints:

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Big share Services Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

During the year following complaints were received and resolved;

| | |
|-----------------------------------------|---|
| Complaints pending as on April 1, 2023 | 0 |
| Complaints received during the year | 0 |
| Complaints resolved during the year | 0 |
| Complaints pending as on March 31, 2024 | 0 |

VI. REMUNERATION OF DIRECTORS:

The Company pays remuneration on monthly basis to its Directors. The Company has a well-defined Remuneration Policy which is available on the website of the Company at <https://www.supremesteels.com/>. The details of remuneration paid to the Executive Directors during the 2023- 24 are as follows:

(Rs. in lakhs)

| Sr No. | Name | Remuneration | Perquisites | Total |
|--------|--------------------------|--------------|-------------|-------|
| 1 | Sanjay Chowdhri | Nil | Nil | Nil |
| 2 | Abhinav Sanjay Chowdhary | 14.40 | Nil | Nil |

During the year, the Company has paid sitting fees to Non -Executive Directors as under:

| Sr No. | Name | Amount (Rs. in lakhs) |
|--------|----------------------------|-----------------------|
| 1 | Lalitha Sanjay Chowdhri | Nil |
| 2 | Prakash Vithalrao Deshmukh | Nil |
| 3 | Sanjeev Ishwari Khandelwal | Nil |
| 4 | Priya Dilipbhai Shah | Nil |

Except for sitting fees, there were no pecuniary or business relationship of Non-Executive Directors vis-à-vis the Company. The Company has not granted any stock option to any of its Directors. None of the Director has any fixed component and performance linked incentives based on performance criteria, also there are no provisions for notice period and payment of severance fees.

V. GENERAL BODY MEETINGS:

a. Details of last three Annual General Meetings:

| AGM | Financial Year | Date & Time | Venue | Special resolutions passed |
|-------------------------|----------------|------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 36 th AGM | 2022-23 | 30/09/2023 at 12:00 noon. | R-223, MIDC Complex, Thane- Belapur Road, Rabale, Navi Mumbai: 400701 | -None |
| 35 th AGM | 2021-22 | 30/09/2022 at 11:00 a.m. | R-223, MIDC Complex, Thane- Belapur Road, Rabale, Navi Mumbai: 400701 | - To borrow any sum or sums of monies pursuant to the provisions of the Section 180(1)(c), -To create mortgage immovable and/or moveable assets pursuant to the provisions of the Section 180(1)(a), - To make loan within limits in pursuance to the provisions of Section 186 |
| 34 th AGM | 2020-21 | 24/11/2021 at 11:30 a.m. | Video Conferencing (“VC”) / other Audio Visual Means (“OAVM”) | -None |

Extraordinary General Meeting

One Extraordinary General Meeting of the members was held on January 27, 2024 during FY 2023-24 under review.

Postal Ballot

During the financial year 2023-24, no resolution was passed through postal ballot and as on date of this report, the Company does not propose to pass any resolution for the time being by way of Postal Ballot.

VI. MEANS OF COMMUNICATION:

- i. The Company's unaudited quarterly financial results were announced within forty-five days of the close of the quarter and its audited annual financial results were announced within sixty days from the close of the financial year as per the requirements of the Listing Regulations. The aforesaid financial results were submitted to the Stock Exchange And are normally published in Free Press Journal, Economic Times, Financial Express, Business Standards, Navshakti and Mumbai Lakshadeep.
- ii. The Company's results are displayed on the Company's website at <https://www.supremesteels.com/>
- iii. The Company also issues press releases from time to time. Press releases and presentations made to the institutional investors/ analysts after the declaration of the results are submitted to BSE Limited as well as uploaded on the Company's website.
- iv. The Ministry of Corporate Affairs ("MCA") vide circular no. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 , 02/2021 dated January 13, 2021, 21/2021 dated December,14, 2021, 02/2022 dated May 05, 2022 & 10/2022 dated December 28, 2022 (the 'MCA Circulars'), provided certain relaxations for companies, including conducting Annual General Meeting (AGM) through Video Conferencing (VC) or through other audio-visual means (OAVM) ('electronic mode'). Said MCA Circulars had also dispensed with the printing and dispatch of annual reports to shareholders.

In line with the above MCA Circulars, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 dispensed with the requirement of Regulation 37th(1)(b) and (c) of the SEBI Listing Regulations for listed entities, who conduct their AGMs, inter alia, on or before September 30, 2023, which otherwise prescribes that a listed entity shall send the hard copy of the statement containing salient features of all the documents, as prescribed in Section 137th of the Act to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same, respectively. Pursuant to the MCA Circulars and SEBI Circulars this Notice along with the Annual Report for 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ their Depository Participants ("DPs"), unless any Member has requested for a physical copy of the same.

VII. GENERAL SHAREHOLDER INFORMATION:

| | |
|-------------------------------|-------------------------------------------------------------------------------|
| Date & Time of AGM | 28/09/2024 |
| Venue | Village Vihari, Opp. Khopoli Railway station, Khopoli, Navi Mumbai - 410 203. |

| | |
|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Financial year | The Financial Year of the Company is from April 01, 2023, to March 31, 2024. |
| Dividend payment date | Not Applicable |
| Date of Book Closure | September 20, 2024 to September 28, 2024 |
| Listing on Stock Exchanges National Stock Exchange of India Ltd | Address: Exchange Plaza, 5th Floor, Plot No. C-1, Block G, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051 Annual Listing fees of the stock exchange will be paid with Interest. |
| Stock code | SUPREMEENG |
| Dematerialization | Central Depository Services (India) Limited National Securities Depository Limited |

Market Price Data:

| Month/Price | HIGH (Rs.) | LOW (Rs.) |
|-------------|------------|-----------|
| 2023 | | |
| April | 1.05 | 0.70 |
| May | 0.95 | 0.70 |
| June | 0.75 | 0.55 |
| July | 0.70 | 0.50 |
| August | 0.85 | 0.60 |
| September | 1.05 | 0.60 |
| October | 0.90 | 0.70 |

| | | |
|-------------|------|------|
| November | 1.20 | 0.65 |
| December | 1.10 | 0.90 |
| 2024 | | |
| January | 1.25 | 0.95 |
| February | 1.40 | 1.00 |
| March | 1.15 | 1.00 |

| | |
|-------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registrar to an issue and share transfer agent | Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai-400072, Maharashtra State. |
| Share transfer system | In respect of shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/ credit of the accounts involved. |
| Dematerialization of shares and liquidity | The whole of the Company's Share Capital is dematerialized as on March 31, 2024. |

Distribution of Shareholding

| Sr. No. | Shareholding | Shareholders | | Total Shares | |
|--------------|---------------|---------------------|------------|------------------|------------|
| | | No. of Shareholders | % | No. of Shares | % |
| 1 | 1-500 | 24368 | 58.5769 | 3408841 | 1.3638 |
| 2 | 501-1000 | 5740 | 13.7981 | 5181856 | 2.0732 |
| 3 | 1001-2000 | 3652 | 8.7788 | 5973923 | 2.3900 |
| 4 | 2001-3000 | 1620 | 3.8942 | 4286976 | 1.7151 |
| 5 | 3001-4000 | 750 | 1.8029 | 2752504 | 1.1012 |
| 6 | 4001-5000 | 1431 | 3.4399 | 7002165 | 2.8014 |
| 7 | 5001-10000 | 1944 | 4.6731 | 16165704 | 6.4676 |
| 8 | 10001 & Above | 2095 | 5.0361 | 205178031 | 82.0876 |
| Total | | 41600 | 100 | 249950000 | 100 |

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past and hence as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity Price Risk/Foreign Exchange Risk and Hedging Activities

Price risk

Price risk is the risk that the profits and cashflows will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to commodity prices.

The Company seeks to minimize the effects of these risks by continuous monitoring and using derivative financial instruments to hedge risk exposures, wherever permissible and cost effective. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Foreign currency risk management

The Company's functional currency is Indian Rupees (Rs.). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials.

The Company seeks to minimize the effects of these risks by continuous monitoring and using derivative financial instruments to hedge risk exposures, wherever permissible and cost effective. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

Address for Correspondence:

Investors can communicate at the following addresses:

Supreme Engineering Limited

R.223, Mide Complex, Thane, Belapur Road,

Rabale, Navi-Mumbai-400701

Website: <https://www.supremesteels.com/>

E-Mail: cs@supremesteels.com

Tel: 022-27648700/27692232

BigShare Services Private Limited

Office No. S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre Mahakali Caves Road, Andheri (East),
Mumbai – 400093, Maharashtra, India.

Email: shwetast@bigshareonline.com

Tel: 022- 6263 8200

Website: www.bigshareonline.com

Contact Person: Shweta Salunke

SEBI Registration No.: INR000001385.

Shareholding Pattern as on March 31, 2024:

| Category | No. of Shareholders | Total number of shares | % to total shareholders |
|----------------------------------------|---------------------|------------------------|-------------------------|
| Promoters | 10 | 103156510 | 41.27% |
| Non- Promoters | | | |
| Mutual funds/UTI | -- | -- | -- |
| Public Individuals | 40792 | 131438901 | 52.59 |
| Foreign Portfolio Investors Category I | | | |
| Hindu Undivided Family | 243 | 5754690 | 2.30 |
| Bodies Corporate | 38 | 7214331 | 2.89 |
| Non Resident Indians (NRI) | 101 | 1799568 | 0.72 |
| Others- Clearing Members | 4 | 581000 | 0.23 |
| Non-Promoter Non-Public | | | |
| Custodian/DR holder | 1 | 5000 | - |
| Total | 41189 | 249945000 | 100 |

Status of Dematerialization of Shares as on March 31, 2023:

| Particulars | Record | Percentage | Shares | % to Capital |
|-----------------|--------------|------------|------------------|--------------|
| NSDL | 7701 | 18.51 | 6,89,73,115 | 27.59 |
| CDSL | 33899 | 81.49 | 18,09,76,885 | 72.41 |
| Physical | 0 | 0 | 0 | 0 |
| Total | 41600 | 100 | 249950000 | 555 |

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules).

VIII. OTHER DISCLOSURES

i. Materially Significant Related Party Transactions:

There were no materially significant transactions with related parties during the financial year 2023-24 which may be in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes of the Financial Statements.

The Board has approved a policy on Materiality of Related Party Transactions which also includes procedure to deal with Related Party Transactions and such policy has been uploaded on the Company's website at <https://www.supremesteels.com/>

ii. Details of non-compliance:

There were no other instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by the stock exchange or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years except mentioned in the Secretarial Audit Report given by HRU & Associates, Company Secretaries.

iii. Establishment of Vigil Mechanism/Whistle blower policy:

The Company has adopted Vigil Mechanism/Whistle Blower Policy to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct. No personnel has been denied access to the audit committee. A copy of Vigil Mechanism/Whistle Blower Policy of the Company has been uploaded on Company's website at <https://www.supremesteels.com/>

iv. Compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all mandatory requirements as laid down in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v. Web link where policy for determining 'material' subsidiaries is disclosed:

The Company's policy on determining material subsidiary is available on Company's website at <https://www.supremesteels.com/>

vi. Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

The Company is exposed to foreign exchange risk on account of import and export transactions. The Company is proactively mitigating these risks by entering into commensurate hedging transactions as per the Company's Risk Management Policy.

vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): **Not Applicable**

viii. Certificate from Mr. Rinkesh Gala, proprietor of Rinkesh Gala & Associates Practicing Company Secretaries is attached (which forms integral part of this report) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

ix. There was no such instance during FY 2023-24 when the board had not accepted any recommendation of any committee of the board.

x. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a) Number of complaints filed during the financial year: **Nil**
- b) Number of complaints disposed of during the financial year: **Nil**
- c) Number of complaints pending as on end of the financial year: **Nil**

xi. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:
Not Applicable

xii. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: **Not Applicable**

xiii. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:

The Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xiv. CEO and CFO Certification:

The Managing Director/Chief Financial Officer has given a certificate to the Board as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

v. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2023-24.

The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

For and on behalf of the Board
Supreme Engineering Limited,

Sanjay Chowdhri
DIN: 00095990
Chairman & Managing Director

Date: August 28, 2024
Place: Navi Mumbai

Annexure to Corporate Governance Report

Declaration regarding Compliance with the Code of Conduct

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct of the Company for the financial year ended March 31, 2024.

For and on behalf of the Board
Supreme Engineering Limited,

Sanjay Chowdhri
DIN: 00095990
Chairman & Managing Director

Date: August 28, 2024
Place: Navi Mumbai

Compliance Certificate on Corporate Governance

To,
The Members of
SUPREME ENGINEERING LIMITED
R.223, Midc Complex, Thane, Belapur Road,
Rabale, Navi-Mumbai- 400701.

We have examined the compliance of the conditions of Corporate Governance by Supreme Engineering Limited ('the Company') for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the representations and explanations given to us, the disclosures made by the management in the Corporate Governance Report and to the stock exchanges and considering the relaxations granted by the Ministry of Corporate Affairs and, Securities and Exchange Board of India, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **Rinkesh Gala & Associates**
Practicing Company Secretaries

Rinkesh Gala
Proprietor
ACS No.42486 | C.P. No.20128
Peer Review No: 2768/2022
UDIN: A042486F001154454

Place: Mumbai
Date: September 5, 2024

Certificate of Non-Disqualification of Directors
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (I) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
SUPREME ENGINEERING LIMITED
R.223, Midc Complex, Thane, Belapur Road,
Rabale, Navi-Mumbai- 400701.

We have examined the relevant Registers, Records, forms, returns and disclosures received from the Directors of Supreme Engineering Limited, having CIN: L99999MH1987PLC043205 and having registered office at R.223, Midc Complex, Thane, Belapur Road, Rabale, Navi-Mumbai, Maharashtra, India, 400701 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(I) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, RBI or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of original Appointment |
|---------|----------------------------|----------|------------------------------|
| 1. | Sanjay Chowdhri | 00095990 | 21/04/1987 |
| 2. | Abhinav Sanjay Chowdhary | 07121484 | 07/12/2017 |
| 3. | Lalitha Sanjay Chowdhri | 00096419 | 21/04/1987 |
| 4. | Prakash Vithalrao Deshmukh | 02376494 | 07/12/2017 |
| 5. | Sanjeev Ishwari Khandelwal | 08780152 | 05/08/2020 |
| 6. | Priya Dilipbhai Shah | 07594589 | 30/10/2023 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification through digital mode. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for **Rinkesh Gala & Associates**
Practicing Company Secretaries

Rinkesh Gala
Proprietor
ACS No.42486 | C.P. No.20128
Peer Review No: 2768/2022
UDIN: A042486F001154487

Place: Mumbai
Date: September 5, 2024



S R Dhariwal and Company

Chartered Accountants

1003-1006, Arcadia, 195 NCPA Marg, Nariman Point, Mumbai – 400021.

Mobile: 9920411100. Email: info@srdhariwalco.in

INDEPENDENT AUDITOR'S REPORT

To the Members of

SUPREME ENGINEERING LIMITED

(Formerly Known as Supreme Heatreaters Private Limited)

Report on the Audit of the Ind AS Financial Statement Opinion

We have audited the accompanying Ind AS Financial Statement of **Supreme Engineering Limited** (Formerly known as **Supreme Heatreaters Private Limited**) (“the Company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the Ind AS Financial Statement, 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 Statement 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 Ind AS & accounting principles generally accepted in India:

- a) In the case of the balance sheet, of the state of affairs of the Company as at March 31, 2024; and
- b) In the case of the statement of profit and loss, of the loss including other comprehensive income for the year ended on that date.
- c) In the case of the statement of cash flows, of the cash flows for the year ended on that date.
- d) In the case of the statement of changes in equity, of the changes in equity share capital and other equity for the year ended on that date.

Basis for opinion

We have conducted our audit of the Ind AS Financial Statement 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 ‘Auditor’s Responsibilities for the Audit of the Ind AS Financial Statement’ 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 Ind AS Financial Statement 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 ICAI 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 Statement.

Emphasis of Matter

We draw attention to the fact that;

- The Company is required to get cost audit conducted as per the requirement of section 148 of the Companies Act, 2013. However, the same has not been conducted from the financial year 2020-21 and onwards.
- The Company had Secured Loans account which has turned NPA on 19th August 2021 and has stopped servicing the borrowing repayment and interest from that day. The Company has incurred a net loss of Rs. 1101.51 Lakhs during the year ended March 31, 2024 and, as of that date; the company’s current liabilities exceeded its total assets making its Net worth being reduced by Rs. 1085.32 Lakhs. The Company’s current liabilities borrowings have become NPA and Net worth is further reduced to Rs. -8743.49 Lakhs from Rs. - 7993 Lakhs which has resulted further erosion of the net worth of the company. In spite of these events or conditions which may cast a doubt on the ability of the company to continue as a going concern, the management is of the opinion that going concern basis of accounting is appropriate in view of the restructuring in process of the loans and the wide asset base the company carries.

The Management is responsible for assessing the Company’s ability to continue as a going concern, including whether the use of the going concern basis of accounting is appropriate. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Management is also responsible for disclosing a material uncertainty of which management becomes aware related to

events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's net worth is negative and it continues to incur losses. We were informed that the Company is in the process of raising funds through equity allotment and also by selling non core assets of the company which in the opinion of the management will enable the Company to have positive networth and support to have a turnaround.

The Company is also in the process of identifying strategic business partners and alternative business plans to improve the performance of the Company. The Company's ability to generate positive cash flows depends on the successful implementation of such alternative business plans. The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

- The company has not provided accrued interest, charges, penalty or any other charges from the date of being classified as Non-Performing Assets and the impact of the same on the financial result and statement remain unaccounted for.
- The Company is required to file Audit report under the Income tax Act 1961 and file corresponding Return under the act; however, the same has not been done for AY 20-21 and AY 21-22.
- The Company has not paid the statutory tax dues like TDS (paid for FY 22-23), PF, Professional Tax and Income tax etc. that has become overdue and remain unpaid. Interest, Penalty in respect of the same has remained unascertained and unaccounted.
- The Company has Trade Receivables including Advances, Trade Payables including Advances to Suppliers and Others, Recoverable Advances in Cash or Kind, Borrowings, Cash Credit account in bank etc. includes balances which remain outstanding for a substantial period. The reported Financials may have consequential / subsequent impact which remains unascertained.
- The company has incurred losses in the processing of its stock which was found to be irrecoverable which has led to the stock value being diminished. The valuation of Stock is done at Net Realizable Value. This has led to the value of stock losses to the tune of Rs. 5.58 crores.
- The demand notice issued by the income tax department for Rs. 908.61 lakh for AY 2018-

2019 has been appealed by the company before the CIT(A). At present the matter is pending with the CIT(A) and final order / proceeding is pending.

- The demand notice is issued by the GST department for interest payable amount to Rs.5.52 lakhs of financial year 2017-18 on 31/05/2022. The company has filed an appeal against this order.
- The demand notice is issued by the GST department for Rs. 571.17 lakhs for FY 2018-2019 on 03/11/2022. The company has received the rectification order and has filed a writ petition before the Bombay High Court on 11/10/2023.

Our opinion is not modified in respect of above matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Directors' Report, but does not include the Ind AS Financial Statement and our Auditor's report thereon.

Our opinion on the Ind AS Financial Statement 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 Statement, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Ind AS Financial Statement 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.

Management's Responsibility for the Ind AS Financial Statement

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 Statement 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, 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of

appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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 Statement 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 Statement, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the audit of the Ind AS Financial Statement

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

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 Statement, 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS Financial Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS Financial Statement, including the disclosures, and whether the Ind AS Financial Statement represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors Report) Order, 2020 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. As required by section 143(3) of the Act, we report that:
 - a) We have reasonably sought and obtained the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

 - c) The balance sheet, the statement of profit and loss including the statement of other comprehensive income, the statement of cash flows and Statement of Changes in Equity dealt with in this report are in agreement with the books of account.

 - d) In our opinion, the aforesaid Ind AS Financial Statement comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. Since the Company has become NPA, IND AS23 on Borrowing Cost is not applied.

 - e) On the basis of written representations received from the directors as on 31 March 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024, from being appointed as a director in terms of Section 164(2) of the Act;

 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.

 - g) In our opinion, the managerial remuneration for the year ended 31st March 2024 has been provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V of the Act;

 - h) With respect to the other matters to be included in Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:

- i) The Company does not have any pending litigations which would impact its financial position;
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv) a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

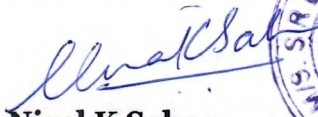
c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11, as provided under (a) and (b) above, contain any material misstatement.
- v) The Company has not declared or paid any dividend during the year and has not proposed a final dividend for the year.
- vi) Based on the audit tests and procedures performed, in respect of financial year ended 31st March 2024, The Company used Tally Prime (Gold), an accounting software for maintaining books of accounts. The Audit trail feature has not been enabled at the

database level for the said accounting software to keep a log of any direct data changes and it did not operate throughout the year.

For S R Dhariwal and Co

Chartered Accountants

FRN: 102466W



Niraj K Saboo

Partner

M. No. 158054

UDIN: 24158054BKEMZL2145

Date: 28/08/2024

Place: Mumbai

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of the company for the year ended 31st March 2024

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management during the year; no material discrepancies were noticed on such verification.

(c) Based on our audit procedures and the information and explanation received by us, the title deeds of property are held in the name of Company.

ii. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and on the basis of our examination of the records, no material discrepancy was noticed on physical verification (quantity) of stocks by the management as compared to book records.

(c) In our opinion and on the basis of our examination of the records, no material discrepancy was noticed in the physical quantity verification of stocks, whereas the stock value has diminished by more than 10%. Hence the same has been booked at Net Realizable Value.

iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans to its associate concern covered in the register maintained under section 189 of the Companies Act, 2013.

iv. According to the information and explanations given to us and based on our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied as and where applicable.

v. In our opinion, the Company has not accepted any deposits within the meaning of Rule 2 (b) of Companies (Acceptances of Deposits) Rules, 2014. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. According to the information and explanations provided by the management, cost records have been prescribed under section 148(1) of the Companies Act, 2013 in respect of products of the Company. Those records have been properly maintained by the company. However, cost audit has not been conducted from FY 2020-21 onwards.

vii. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Goods and Service Tax, Custom Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have not been regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are following outstanding statutory dues as on 31st of March, 2024 for a period of more than six months from the date they became payable.

| Particulars | Amount (in Rs.) |
|---------------------------|------------------------|
| Provident Fund | 48,94,851.00 |
| ESIC | 1,21,054.00 |
| Profession Tax | 2,81,175.00 |
| Income Tax | 3,17,84,285.00 |
| Dividend Distribution Tax | 25,44,192.00 |
| TDS & TCS | 1,27,53,553.00 |
| Total | 5,23,79,110.00 |

(b) According to the information and explanations given to us, there are the following amounts payable in respect of income tax, service tax, goods and services tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

The Indirect Tax Disputes pending with the GST department are as under: -

| Sr. No. | Financial Year | | Amount | Part Payment made | Forum (where its disputed) |
|----------------|-----------------------|---------------|---------------------|--------------------------|-----------------------------------------------------------|
| 1 | 2008-09 | MVAT | 0 | 0 | Commissioner Appeals |
| | | CST | 16,43,510 | 3,49,095 | |
| 2 | 2009-10 | MVAT | 17,96,072 | 0 | Commissioner Appeals |
| | | CST | 81,29,812 | 0 | |
| 3 | 2013-14* | MVAT | 65,29,979 | 3,31,980 | Appeal dismissed. Need to file appeal in Tribunal |
| | | CST | 54,69,920 | 4,29,462 | |
| 4 | 2014-15 | MVAT | 97,28,909 | 4,63,044 | Appeal dismissed. Need to file appeal in Tribunal |
| | | CST | 77,67,098 | 11,99,801 | |
| 5 | 2016-17** | MVAT | 49,86,142 | 0 | Appeal need to be filed |
| | | CST | 1,37,339 | 0 | |
| 6 | 2018-2019 | GST - Khopoli | 5,71,17,794 | 0 | Rectification of the order filed with the department |
| 7 | 2017-18 | GST - Khopoli | 5,52,000 | 0 | Commissioner Appeals |
| 8 | 2021-22 | GST - Khopoli | 15,69,128 | 0 | Appeal dismissed, Annexure I filed for appeal in Tribunal |
| | | | 10,54,27,703 | 39,12,906 | |

* The appeal is dismissed for FY 2013-2014 by the Department and is yet not appealed with the Tribunal.

**The Rectification Order for FY 2016-2017 is not yet appeal against.

The Direct tax demands pending at the Income Department are as under: -

| Sr No. | Assessment Year | Demand section | Amount in Rs. |
|--------|-----------------|----------------|-------------------|
| 1 | 2006-2007 | 143(1) | 1,50,376/- |
| 2 | 2007-2008 | 143(1) | 94,134/- |
| 3 | 2008-2009 | 143(1) | 27,627/- |
| 4 | 2009-2010 | 143(1)a | 3,160/- |
| | | 115WE | 1,79,446/- |
| 5 | 2005-2006 | 143(1) | 34,149/- |
| 6 | 2016-2017 | 143(1)a | 3,19,480/- |
| 7 | 2017-2018 | 143(1)a | 19,34,840/- |
| 8 | 2018-2019 | 143(3) | 9,08,61,960/- |
| | | Total | 93605172/- |

viii. According to the information and explanation given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax act, 1961, as income during the year. Accordingly, reporting under clause 3(viii) of the Order is not applicable.

ix. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that there has been default in repayment of dues to any financial institution, bank or debenture holders. The Company has been declared Non Performing Asset.

x. Based on records of the company, the company has not raised funds by way of initial public offer or further public offer including debt instruments during the year. Further the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. However, the company had issued shares during the year 2018.

The details of unutilized IPO proceeds as on 31/03/2024 are as follows:

| Particulars | Proposed Utilization | Actual Utilization | Unutilized Amount |
|-----------------------------------------------|-----------------------------|---------------------------|--------------------------|
| Part finance the working capital requirements | 70,000,000.00 | 70,000,000.00 | - |
| Part repayment of High-cost debt | 46,711,977.00 | 46,711,977.00 | - |
| Capital Expenditure | 9,507,197.00 | 4,318,177.00 | 5,189,020.00 |
| General Corporate Purpose | 30,000,000.00 | 30,000,000.00 | - |
| IPO Expenses | 21,333,125.00 | 21,333,125.00 | - |
| Total | 177,552,299.00 | 172,363,279.00 | 5,189,020.00 |

xi. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year.

xii. The Company is not a Nidhi company. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

xiii. Based on our audit procedures and on the information given by the management, the company has complied with the sections 177 and 188 of the Companies Act, 2013 for all the transactions with the related parties and the details of such transactions have been properly disclosed in the Ind AS Financial Statement as required by the applicable accounting standards.

xiv. The company have an internal audit system in accordance with its size and business activities.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

xvii. The company incurred any cash losses in the current and previous financial year covered by our audit.

| Sr.No. | Financial Year | Amount (in Lakh/Rs.) |
|--------|----------------|----------------------|
| 1 | 2023-2024 | -897.63 |
| 2 | 2022-2023 | -10300.67 |
| 3 | 2021-2022 | -673.02 |

xviii. During the year, there has not been any resignation of statutory auditors. Accordingly reporting under clause 3(xviii) of the order is not applicable.

xix. There is material uncertainty as on the date of the audit report with regards to the ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. The company cannot meet it's the liabilities which exist as at the balance sheet date when such liabilities are due in the future.

xx. The company has no obligations under Corporate Social Responsibility.

For S R Dhariwal and Co
Chartered Accountants
FRN: 102466W

Niral K Saboo

Niral K Saboo
Partner

M. No. 158054

UDIN: 24158054BKEMZL2145

Date: 28/08/2024

Place: Mumbai



Annexure - B to the Independent Auditors' Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of the company for the year ended 31st March 2024

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 of **Supreme Engineering Limited (Formerly known as Supreme Heatreaters Private Limited)** ("the Company") as of March 31, 2024, in conjunction with our audit of the Ind AS Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statement 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 Ind AS Financial Statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statement.

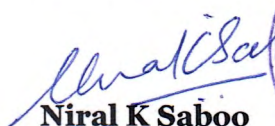
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting. The Company has used Tally Prime, an accounting software for maintaining its books of account, however it did not enable the feature of recording audit trail (edit log) at the database level for the said accounting software to keep a log of any direct data changes. Further the Company does not have formal written standard operating manuals or predefined standard operation procedure to maintain the efficacy and effectiveness of the internal financial controls.

For S R Dhariwal and Co
Chartered Accountants
FRN: 102466W



Niral K Saboo
Partner

M. No. 158054

UDIN: 24158054BKEMZL2145

Date: 28/08/2024

Place: Mumbai



SUPREME ENGINEERING LIMITED

(CIN: L99999MH1987PLC043205)

BALANCE SHEET AS AT MARCH 31, 2024

Regd. Office: R-223, MIDC Complex, Thane-Belapur Road, Rabale, Navi Mumbai- 400701

| Particulars | Notes | As at 31 Mar 2024 | As at 31 Mar 2023 |
|-------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| (a) Property, Plant and Equipment | 4 | 1533.37 | 1728.09 |
| (b) Investment Properties | 5 | 25.93 | 531.13 |
| (c) Financial Assets | | | |
| (i) Investments | 6 | 1.00 | 1.00 |
| (ii) Other Financial Assets | 6 | 44.87 | 31.21 |
| (d) Other Non-Current Assets | 10 | 2.32 | 2.32 |
| (e) Deferred Tax Assets (Net) | 11 | 236.72 | 517.65 |
| | | 1844.21 | 2811.41 |
| Current assets | | | |
| (a) Inventories | 7 | 960.52 | 1864.42 |
| (b) Financial Assets | | | |
| (i) Trade Receivables | 8 | -9.02 | 102.67 |
| (ii) Cash and Cash Equivalents | 9 | 217.04 | 236.33 |
| (iii) Loans | 6 | 0.00 | 313.43 |
| (iv) Other Financial Assets | 6 | 3.22 | 3.08 |
| (c) Other Current Assets | 10 | 303.06 | 285.88 |
| | | 1474.82 | 2805.80 |
| TOTAL | | 3319.03 | 5617.21 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 12 | 2499.50 | 2499.50 |
| (b) Other Equity | 13 | -10207.08 | -9121.76 |
| | | -7707.58 | -6622.26 |
| Liabilities | | | |
| Non Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| Borrowings | 15 | 1219.93 | 1431.66 |
| Lease liabilities | | - | - |
| (b) Provisions | 19 | 1.05 | -1.88 |
| | | 1220.99 | 1429.78 |
| Current Liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 15 | 7571.58 | 7555.34 |
| (ii) Trade Payables | | | |
| Micro, Small and Medium Enterprises | | -573.84 | 442.48 |
| Others | | 178.31 | 213.20 |
| (iii) Lease liabilities | | 52.52 | 152.18 |
| (iv) Other Financial Liabilities | 16 | 1617.37 | 1473.19 |
| (b) Provisions | 19 | 17.90 | 15.69 |
| (c) Other Current Liabilities | 18 | 623.95 | 639.88 |
| (d) Current Tax Liabilities (Net) | 20 | 317.84 | 317.84 |
| | | 9805.62 | 10809.80 |
| TOTAL | | 3319.03 | 5617.32 |

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.

1-42

As per our report of even date attached

For S. R. Dhariwal & Co.

Chartered Accountants

Firm Reg. No. 102466W

For and on behalf of the Board of Directors of

Supreme Engineering Limited

Sanjay Chowdhri
Chairman and Managing Director
DIN No. : 00095990

Abhinav Chowdhri
Executive Director
DIN No. : 07121484

CA Niral Saboo
Partner
M. No. 158054

Pranav Chowdhri
Chief Executive Officer

Sadashiv Bangera
Chief Financial Officer

Place : Mumbai
Date: 28/08/2024

Place : Mumbai
Date: 28/08/2024

SUPREME ENGINEERING LIMITED

(CIN: L99999MH1987PLC043205)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Regd. Office: R-223, MIDC Complex, Thane-Belapur Road, Rabale, Navi Mumbai- 400701

(Amount in INR Lakhs)

| Particulars | Notes | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|------------------------------------------------------------------------------------------------------|-------|-----------------------------------|-----------------------------------|
| REVENUE | | | |
| Revenue from operations (net) | 21 | 2510.15 | 1839.87 |
| Other income | 22 | 24.26 | 45.00 |
| Total Revenue (I) | | 2534.41 | 1884.87 |
| EXPENSES | | | |
| Cost of materials consumed | 23 | 2325.41 | 1473.78 |
| Diminished Value of Inventory | | | 8883.70 |
| Changes in stock of finished goods, work in progress | 24 | 273.60 | 347.07 |
| Employee benefits expense | 25 | 173.17 | 169.54 |
| Finance costs | 26 | 175.32 | 128.50 |
| Depreciation expense | 27 | 206.41 | 216.53 |
| Other expenses | 28 | 204.81 | 1523.71 |
| Total Expenses (II) | | 3358.72 | 12742.82 |
| Profit/(Loss) before exceptional items and tax (I-II) | | -824.31 | -10857.95 |
| Exceptional Items | | | |
| Profit/(Loss) before tax | | -824.31 | -10857.95 |
| Tax expense: | | | |
| Current tax | 11 | 0.00 | 0.00 |
| Short / (Excess) Provision for Earlier Years | | 0.00 | 0.00 |
| MAT Tax / (MAT Credit) | | 0.00 | 0.00 |
| Deferred tax | 11 | 279.73 | -340.76 |
| Profit/(Loss) for the year | | -1104.04 | -10517.19 |
| OTHER COMPREHENSIVE INCOME | | | |
| A. Other Comprehensive income not to be reclassified to profit or loss in subsequent periods: | | | |
| Remeasurement of gains (losses) on defined benefit plans | | 3.56 | 34.26 |
| Income tax effect | 11 | -1.04 | -9.90 |
| Other Comprehensive income for the year, net of tax | | 2.52 | 24.36 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX | | -1101.52 | -10492.83 |
| Earnings per share for profit attributable to equity shareholders | | | |
| Basic and Diluted EPS | 29 | -4.42 | -42.08 |

Significant Accounting Policies and Notes on Accounts form an integral part of the 1-42 financial statements.

As per our report of even date attached

For S. R. Dhariwal & Co.

Chartered Accountants
Firm Reg. No. 102466W

CA Niral Saboo
Partner
M. No. 158054

Place : Mumbai
Date: 28/08/2024

**For and on behalf of the Board of Directors of
Supreme Engineering Limited**

Sanjay Chowdhri
Chairman and Managing Director
DIN No. : 00095990

Abhinav Chowdhri
Executive Director
DIN No. : 07121484

Pranav Chowdhri
Chief Executive Officer

Sadashiv Bangera
Chief Financial Officer

Place : Mumbai
Date: 28/08/2024

SUPREME ENGINEERING LIMITED

(CIN: L99999MH1987PLC043205)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024

Regd. Office: R-223, MIDC Complex, Thane-Belapur Road, Rabale, Navi Mumbai- 400701

(Amount in INR Lakhs)

| Particulars | For the Year Ended 31 March 2024 | For the Year Ended 31 March 2023 |
|------------------------------------------------------------------------------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Profit/ (Loss) before income tax | -824.31 | -10857.95 |
| Adjustments for: | | |
| Depreciation expense | 206.41 | 216.63 |
| Profit on sale of investments Properties | 0.00 | -12.64 |
| Interest income | -2.77 | -7.15 |
| Finance costs | 175.32 | 128.50 |
| Provision against Expected Credit Loss | -962.69 | 1183.85 |
| Sundry Balance Investment Written off | 505.20 | 0.00 |
| Change in operating assets and liabilities: | | |
| (Increase)/Decrease in trade receivables | 1074.38 | 827.31 |
| (Increase)/Decrease in inventories | 903.90 | 9125.02 |
| Increase/(decrease) in trade payables | -1051.21 | -176.01 |
| (Increase)/ Decrease in loans | 313.43 | -240.39 |
| (Increase)/ Decrease in other current financial assets | -0.14 | -0.14 |
| (Increase)/ Decrease in other current assets | -17.18 | -2.20 |
| (Increase)/ Decrease in other non current financial assets | 13.65 | 0.00 |
| Increase/ (Decrease) in other financial liabilities | 144.18 | 493.77 |
| Increase/ (Decrease) in other liabilities | -15.93 | 180.31 |
| Increase/ (Decrease) in provisions | 5.15 | 1.03 |
| Cash generated from operations | 467.38 | 859.94 |
| Less : Income tax paid (net of refund) | | 0.00 |
| Net cash inflow from operating activities | 467.38 | 859.94 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Payments for property, plant and equipment | 11.30 | -5.63 |
| Proceeds from sale of Investment Investment Properties | 0.00 | 102.96 |
| Interest received | 2.77 | 7.15 |
| Net cash (Used in)/generated from investing activities | 14.07 | 104.47 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from borrowings | -211.73 | -710.28 |
| Net change in current borrowings | 16.24 | 5.45 |
| Interest and finance charges paid | -196.25 | -107.55 |
| Dividends paid including dividend distribution tax | 0.00 | 0.00 |
| Payment Towards Lease Obligation | -108.00 | -108.00 |
| Net cash inflow (outflow) from financing activities | -499.75 | -920.38 |
| Net increase (decrease) in cash and cash equivalents | -18.29 | 44.04 |
| Cash and Cash Equivalents at the beginning of the financial year | 235.53 | 191.50 |
| Cash and Cash Equivalents at end of the year | 217.24 | 235.53 |
| Reconciliation of cash and cash equivalents as per the cash flow statement: | | |
| Cash and cash equivalents as per above comprise of the following: | | |
| Balances with banks | 192.53 | 205.25 |
| Cash on hand | 24.50 | 31.07 |
| Balances per statement of cash flows | 217.04 | 236.33 |

Notes :

a) The above Standalone Cash Flow has been prepared under the "Indirect Method" as set out in the Ind AS 7 "Statement of Cash Flows"

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.

As per our report of even date attached

For S. R. Dhariwal & Co.
Chartered Accountants
Firm Reg. No. 102466W

**For and on behalf of the Board of Directors of
Supreme Engineering Limited**

Sanjay Chowdhri Abhinav Chowdhri
Chairman and Managing Executive Director
Director
DIN No. : 00095990 DIN No. : 07121484

CA Niral Saboo
Partner
M. No. 158054

Pranav Chowdhri Sadashiv Bangera
Chief Executive Officer Chief Financial Officer

Place : Mumbai
Date: 28/08/2024

Place : Mumbai
Date: 28/08/2024

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

Corporate Information

These statements comprise financial statements of Supreme Engineering Limited (CIN: L99999MH1987PLC043205) ('the company') for the year ended March 31, 2024. The company is a public company domiciled in India and is incorporated on 21/04/1987 under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange in India. The registered office of the company is located at R.223, MIDC Complex, Thane, Belapur Road, Rabale, Navi Mumbai- 400701.

The Company is engaged in the business of manufacturing of steel products and heavy engineering.

The Financial Statements of the Company for the year ended March 31, 2024 were authorised for issue by the Board of Directors on

1 Significant Accounting Policies

1.1 Basis of preparation

(a) Compliance with Ind AS:

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and Companies (Indian Accounting Standards) Amendment Rules, 2016 (Ind AS). The Financial Statements comply in all material respects with Ind AS. The Company's first Ind AS Financial Statements and Ind AS 101, 'First-time Adoption of Indian Accounting Standards' has been applied for Financial Year ended 31 March 2021. The policies set out below have been consistently applied during the years presented.

These Financial Statements for the year ended 31 March 2023 are Financial Statements of the Company prepared in accordance with Ind AS.

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

The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

The items are regrouped wherever required so as to give a better presentation of the financial statements. The figures of previous year are also changed to that effect.

(b) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- a. certain financial assets and liabilities that are measured at fair value;
- b. defined benefit plans - plan assets measured at fair value;

The Financial Statements are presented in Indian Rupees ('INR') which is the functional and presentational currency and all values are rounded to the nearest Lakh, except otherwise indicated.

Summary of significant accounting policies

1.2 Property, plant and equipment:

All items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The Company follows cost model for subsequent measurement for all classes and items of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised 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. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Profit or Loss.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31,2024

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they meet the definition of property, plant and equipment.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation on Tangible Fixed Assets is provided on Written Down Value (WDV) on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013.

Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis with reference to the day of addition / deletion.

Gains and losses on disposals are determined by comparing the proceeds with the carrying method.

The residual values are not more than 5% of the original cost of the asset, wherever applicable.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there-in are considered as change in estimate and accounted prospectively.

Depreciation and useful life

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Derecognition

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

1.3 Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property.

Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated impairment losses.

Investment properties are subsequently measured at cost less depreciation. Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 35-50 years. The useful life has been determined based on technical evaluation performed by the management's expert.

1.4 Impairment of fixed assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses are recognised in statement of profit and loss.

1.5 Inventories:

Inventories are carried in the balance sheet as follows:

(i) Raw materials, components, stores and spares :

Raw materials, components, stores and spares are valued at lower of cost or net realisable value. The Raw material is valued at Net Realisable Value in the year under consideration.

SUPREME ENGINEERING LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

(ii) **Work-in-progress and Finished goods:**

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to the individual items in a group of inventories on the basis of First in first out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The devaluation of the stock is due to the following factors and reasons and hence, Net Realisable Value is reported:

1. Cancellation of orders: There were various orders that were received from government companies during the COVID-19 pandemic period. Due to operational issues, the manufacturing of these orders got delayed, which resulted in cancellation of various high value orders from customers. These materials were made-to-order and hence once the chemical composition for the required customer is made, it cannot be diverted or sold to any other customer. Due to this reason, the valuation of the product has to be revalued as scrap.

2. Obsolete stock: There was various stock manufactured for supply of material to distributors. During the pandemic, these distributors had cash flow trouble due to which their payments to our company got very delayed. The company decided to stop this line of business in this financial year. Hence, the stock manufactured for these customers also need to be revalued accordingly.

The stock issues were discussed in the board meeting dated 13/12/22 and the revaluation was accepted by the board on 14/02/2023. The devaluation to net realisable value was implemented once the management was clear of the fact that there is no market otherwise for the products and the quality over the period has also depleted.

The diminished value of the inventory is reported under the exceptional item which has increased the loss of the company. The total value reduces is of Rs. 8883.70 (in lakhs) which consists of Rs. In lakhs - Rs. 741.16 in case of Finished Goods, Rs. 6321.14 in case of Raw Material and Rs. 1821.40 in case of Work in Progress.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

1.6 Statement of Cash Flows:

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

(i) Cash and cash equivalents:

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

The Balance with banks includes Rs. 1.67 Crores which has been appropriated by Bank of India during Holding On Operations. However, we are not able to determine the corresponding impact of the same and is therefore appearing as cash and cash equivalents.

1.7 Foreign currency transactions:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

1.8 Revenue recognition:

(i) Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of export turnover.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

(ii) Accounting for Claims

Claims are accounted as income in the period of receipt of arbitration award or acceptance by client or evidence of acceptance received.

(iii) Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding using the effective interest rate method.

(iv) Dividend income

Revenue is recognised when the company's right to receive the payment is established.

(v) Rental Income

Revenue is recognised at the start of the period for which the property is rented. The company is receiving rent from Commercial property commencing from 21st Oct 2022. Taxes are levied over and above the rental which is charged.

1.9 Leases

The company has applied Ind AS 116 using the modified retrospective approach. Ind AS 116 is applicable for annual reporting period beginning on or after 1 April 2019. The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2020, with a transition date of 1st April, 2019. This lease ended as on 31st October 2021 and later again continued for further 3 years.

The company has applied Ind AS 116 using the further discounted cash flow approach. The company has renewed the lease for further 3 years. The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2020, and renewed the lease from 1st November 2021 which ends on 31st October 2024.

SUPREME ENGINEERING LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

(i) **Company as a lessee:**

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

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

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(ii) **Short-term leases and leases of low-value assets Company as a lessee:**

The company has elected not to recognise right-of-use assets and lease liabilities for short term leases of real estate properties that have a lease term of 12 months. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(iii) **Company as a lessor:**

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

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

1.10 Employee Benefits

(i) **Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

(ii) **Post-Employment Benefits**

The company operates the following post-employment schemes:

- (i) defined benefit plans and
- (ii) defined contribution plans

Defined benefit plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans - Provident fund

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1.11 Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets. Borrowing costs are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. All other borrowing costs are expensed as incurred. Borrowing costs consist of interest and other cost that an entity incurs in connection with the borrowing of funds. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs. The company has not provided for accrued interest, charges, penalty or any other charges from the date of becoming classified as Non Performing Assets and the impact of the same on the financial result and statement remain unaccounted for.

1.12 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue; bonus element in a rights issue, share split; and reverse share split (consolidation of shares).

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

1.13 Taxes on Income:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI (Other Comprehensive Income) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

1.14 Provisions, Contingent liabilities, Contingent assets and Commitments:

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation
- a present obligation arising from past events, when no reliable estimate is possible
- a possible obligation arising from past events, unless the probability of outflow of resources is remote. Commitments include the amount of purchase order

1.15 Current and Non-current Classification:

The Company's presents assets and liabilities in the balance sheet are based on current/non-current classification.

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, Or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

- 10% Recovery account is created by bank to recover the borrowings which have become NPA in the current financial year. The bank as a process to recover the outstanding dues, debits an amount of 10% of the credit received in the bank account of the company

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, Or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Deferred tax assets / liabilities are classified as non-current.

All other liabilities are classified as non-current.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

1.16 Fair Value Measurement:
The Company measures financial instruments of certain investments at fair value, at each balance sheet date.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1.17 Financial instruments

Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets:

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

Subsequent measurement

After initial recognition, financial assets (other than investments in subsidiaries and joint ventures) are measured either at:

- i) fair value (either through other comprehensive income or through profit or loss) or,
- ii) amortized cost

Measured at amortized cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortized cost using the effective interest rate ('EIR') method less impairment, if any, the amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Measured at fair value through other comprehensive income (FVOCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI) net of taxes.

Interest income measured using the EIR method and impairment losses, if any are recognized in Profit and Loss.

In case of investment in equity instruments classified as the FVOCI, the gains or losses on de-recognition are re-classified to retained earnings.

In case of Investments in debt instruments classified as the FVOCI, the gains or losses on de-recognition are reclassified to statement of Profit and Loss.

Measured at fair value through profit or loss (FVTPL):

A financial asset not classified as either amortized cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognized as 'other income' in the Statement of Profit and Loss.

The Company measures all its investments in equity (other than investments in subsidiaries and joint ventures) and mutual funds at FVTPL.

Changes in the fair value of financial assets measured at fair value through profit or loss are recognized in Profit and Loss.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVTPL are recognised in Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost, FVTPL and FVOCI and debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivable only, the Company applies the simplified approach permitted by Ind AS - 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

- i) The Company has transferred the rights to receive cash flows from the financial asset or
- ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

1.18 Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Subsequent measurement

Financial liabilities other than those measured at fair value through profit and loss are subsequently measured at amortized cost using the effective interest rate method. The Company measures all debt instruments at amortised.

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in Profit and Loss.

De-recognition.

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

Offsetting financial instruments:

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

1.19 Segment Reporting - Identification of Segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's chief operating decision maker to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the chief operating decision maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31,2024

2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements, Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

2.1 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

2.1 Estimation of Defined Benefit Obligations / Plans

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

2.3 Impairment of financial assets

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

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

SUPREME ENGINEERING LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A Equity Share Capital

(Amount in INR Lakhs)

| Particulars | Balance at the Beginning of the year | Changes in Equity share capital during the year | Balance at the end of the year |
|-----------------------|--------------------------------------|-------------------------------------------------|--------------------------------|
| March 31, 2022 | | | |
| Numbers | 24,99,50,000 | | 24,99,50,000 |
| Amount | 2,500 | - | 2,500 |
| March 31, 2023 | | | |
| Numbers | 24,99,50,000 | - | 24,99,50,000 |
| Amount | 2499.5 | | 2499.5 |
| March 31, 2024 | | | |
| Numbers | 24,99,50,000 | - | 24,99,50,000 |
| Amount | 2,500 | | 2,500 |

B Other Equity

(Amount in INR Lakhs)

| Particulars | Reserves and Surplus | | | Total |
|------------------------------------------------|----------------------------|-----------------|-------------------|-----------------|
| | Securities Premium Reserve | General Reserve | Retained Earnings | |
| As at March 31, 2021 | 1,036 | - | 1,237 | 2,273 |
| Profit/(Loss) for the year | - | - | (915) | (915) |
| Other comprehensive income/(Loss) | - | - | 6 | 6 |
| Lease adjustment | | | 6 | 6 |
| Total comprehensive income for the year | - | - | (902) | (902) |
| Dividends | - | - | - | - |
| Dividend distribution tax | - | - | - | - |
| Tax impact of Ind AS 116 | | | - | - |
| As at March 31, 2022 | 1,036 | - | 335 | 1,371 |
| Profit/(Loss) for the year | - | - | (10,517) | (10,517) |
| Other comprehensive income/(Loss) | - | - | 24 | 24 |
| Lease adjustment | | | 0 | 0 |
| Total comprehensive income for the year | - | - | (10,493) | (10,493) |
| Dividends | - | - | - | - |
| Dividend distribution tax | - | - | - | - |
| Tax impact of Ind AS 116 | | | - | - |
| As at March 31, 2023 | 1,036 | - | (10,158) | (9,122) |
| Profit/(Loss) for the year | - | - | (1,104) | (1,104) |
| Other comprehensive income/(Loss) | - | - | 3 | 3 |
| Other adjustment | | | 16 | 16 |
| Total comprehensive income for the year | - | - | (1,085) | (1,085) |
| Dividends | - | - | - | - |
| Dividend distribution tax | - | - | - | - |
| Tax impact of Ind AS 116 | | | - | - |
| As at March 31, 2024 | 1,036 | - | (11,243) | (10,207) |

Significant Accounting Policies and Notes on Accounts form an integral part of the financial statements.

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As per our report of even date attached

For S R Dhariwal and Co
Chartered Accountants
Firm Reg. No. 102466W

**For and on behalf of the Board of Directors of
Supreme Engineering Limited**

CA Niral Saboo
Partner
M. No. 158054

Sanjay Chowdhri
Chairman and Managing Director
DIN No. : 00095990

Abhinav Chowdhri
Executive Director
DIN No. : 07121484

Pranav Chowdhri
Chief Executive Officer

Place : Mumbai
Date: 28/08/2024

Place : Mumbai
Date: 28/08/2024

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****4. PROPERTY, PLANT AND EQUIPMENT**

(Amount in INR Lakhs)

| Particulars | Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Computer | Lease Asset | Total |
|--------------------------------------------|------|-----------|---------------------|------------------------|----------|----------|-------------|-------|
| As at March 31, 2023 | 216 | 123 | 1,802 | 1 | 4 | 2 | 527 | 2,674 |
| Additions | | | 11 | 0 | | 0 | | 12 |
| Disposals\Adjustments during the year | | | | | | | | |
| As at March 31, 2024 | 216 | 123 | 1,813 | 2 | 4 | 2 | 527 | 2,686 |
| ACCUMULATED DEPRECIATION/IMPAIRMENT | | | | | | | | |
| As at March 31, 2022 | 0 | 34 | 409 | 1 | 3 | 1 | 282 | 730 |
| Depreciation for the year | | 9 | 112 | 0 | 0 | 0 | 95 | 217 |
| Deductions\Adjustments during the year | | | | | | | | |
| As at March 31, 2023 | 0 | 43 | 521 | 1 | 3 | 1 | 377 | 946 |
| Depreciation for the year | | 8 | 104 | 0 | 0 | 0 | 94 | 206 |
| Deductions\Adjustments during the year | | | | | | | | |
| As at March 31, 2024 | 0 | 51 | 624 | 1 | 4 | 1 | 471 | 1,153 |
| Net Carrying value as at March 31, 2024 | 215 | 72 | 1,189 | 0.59 | 0.63 | 1.27 | 55 | 1,533 |
| Net Carrying value as at March 31, 2023 | 215 | 79.71 | 1,281 | 0.53 | 0.93 | 1.15 | 149 | 1,728 |
| Net Carrying value as at March 31, 2022 | 215 | 89 | 1,387 | 0.69 | 1.35 | 1.18 | 244 | 1,939 |
| Net Carrying value as at March 31, 2019 | 216 | 123 | 1,781 | 0.97 | 4.19 | 0.01 | 244 | 2,368 |

Notes:**i. Property, Plant and Equipment pledged as security against borrowings by the company**

Refer to Note 38 for information on property, plant and equipment pledge as security by the company.

ii. Impairment Loss

The Company has carried out impairment test on its fixed assets as on the date of Balance Sheet and the Management is of the opinion that there is no asset for which provision for impairment is required to be made as per Ind AS - 36 Impairment of Assets.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

| 5. INVESTMENT PROPERTIES | | | |
|---------------------------------------------------------------|-------------|------------------|--------------|
| (Amount in INR Lakhs) | | | |
| Particulars | Land | Buildings | Total |
| GROSS CARRYING VALUE | | | |
| As at March 31, 2021 | 48 | 609 | 658 |
| Additions | | | |
| Deletions | | | |
| Acquisition through business combinations | | | |
| Transfers to and from inventories and owner-occupied property | | | |
| Other Adjustments | | | |
| As at March 31, 2022 | 48 | 609 | 658 |
| Additions | | | |
| Deletions | | (103) | (103) |
| Acquisition through business combinations | | | |
| Transfers to and from inventories and owner-occupied property | | | |
| Other Adjustments | | | |
| As at March 31, 2023 | 50 | 505 | 555 |
| Additions | | | |
| Deletions | | (505) | (505) |
| Acquisition through business combinations | | | |
| Transfers to and from inventories and owner-occupied property | | | |
| Other Adjustments | | | |
| As at March 31, 2024 | 50 | - | 50 |
| ACCUMULATED DEPRECIATION AND IMPAIRMENT | | | |
| As at March 31, 2021 | - | (24) | (24) |
| Additions | | (12) | (12) |
| Impairment | | | |
| As at March 31, 2022 | - | (35) | (35) |
| Additions | | 11 | 11 |
| Impairment | | | |
| As at March 31, 2023 | - | (24) | (24) |
| Additions | | - | - |
| Impairment | | | |
| As at March 31, 2024 | - | (24) | (24) |
| Net Carrying value as at March 31, 2024 | 50 | (24) | 26 |
| Net Carrying value as at March 31, 2023 | 50 | 529 | 531 |
| Net Carrying value as at March 31, 2022 | 48 | 574 | 622 |

Notes :

i. Amount recognised in the statement of profit and loss for investment properties

| Particulars | March 31, 2022 | March 31, 2021 |
|---------------------------------------------------------------------|-----------------------|-----------------------|
| Profit/(Loss) from investment properties before depreciation | - | - |
| Depreciation | 11.67 | 11.62 |
| Profit/(Loss) from investment properties | (11.67) | (11.62) |

ii. Leasing Arrangements

Certain investment properties are leased to tenants under long term operating leases with rentals payable monthly. Minimum Lease payments receivable under non-cancellable operating leases of investment properties are as follows:

| (Amount in INR Lakhs) | | |
|------------------------------------------------|-----------------------|-----------------------|
| Particulars | March 31, 2022 | March 31, 2021 |
| Within one year | 0 | 0 |
| Later than one year but not later than 5 years | 0 | 0 |
| Later than 5 years | 0 | 0 |

Refer to Note 31 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repairs, maintenance or enhancements.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

ii. Fair Value

| Reconciliation of Fair Value: | | (Amount in INR Lakhs) | | |
|---------------------------------------|-----------------------|------------------------------|-----------------------|--|
| Particulars | March 31, 2023 | March 31, 2022 | March 31, 2021 | |
| Opening Balance as at April 1 | 1,293.00 | 1,293.00 | 1,398.00 | |
| Fair Value Difference | - | - | (105.00) | |
| Closing balance as at March 31 | 1,293.00 | 1,293.00 | 1,293.00 | |

Description of Valuation techniques used and key Inputs to valuation on Investment Properties

The Valuation of this property is done by using Sales Comparison Method of Market Approach using composite rate of said assets.

This method is applicable to all properties which are capable of being bought and sold in the market. A comparison is made for the purpose of valuation with similar properties that have recently been sold in the market and thus have a transaction price. The sales comparison approach is the preferred approach when sales data are available.

Sales prices of comparable properties are usually considered the best evidence of Market Value of the property being valued. Sales Comparison Method models the behaviour of the market by comparing the property being appraised with similar properties that have recently been sold or for which offers to purchase have been made. Comparable properties are selected for similarity to the subject property considering attributes like age, size, shape, quality of construction, building features, condition, design, gentry, etc.

Their sale prices are then adjusted for their difference from the subject property. Finally, a Fair Value for the subject property is estimated from the adjusted sales price of the comparable properties.

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company consider information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2

6. FINANCIAL ASSETS

(Amount in INR Lakhs)

| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
|------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| (A) INVESTMENTS | | |
| Non Current | | |
| (1) Investments carried at fair value through Profit and Loss | | |
| Unquoted | | |
| (a) Investments in Equity Instruments | | |
| 4000 Equity shares of Bharat Sahakari Bank Ltd Rs.25 each fully paid (March 31, 2020: 4000 shares ,March 31, 2019: 4000 shares) | 1 | 1 |
| (2) Investments carried at Cost | | |
| (a) Investment Property | | |
| (b) Other Investments | | |
| Total | 1 | 1 |
| Aggregate amount of quoted investments | | - |
| Market value of quoted investments | | - |
| Aggregate amount of unquoted investments | 1 | 1 |
| Aggregate amount of impairment in the value of investments | | - |
| Investments carried at fair value through profit and loss | 1 | 1 |
| Investments carried at amortised cost | | - |
| (B) LOANS | | |
| Current | | |
| <i>Unsecured, considered good unless otherwise stated</i> | | |
| Other loans and advances | - | 313 |
| Total | - | 313 |
| (C) OTHER FINANCIAL ASSETS | | |
| Non Current | | |
| Financial assets carried at amortised cost | | |
| Security Deposits | 45 | 31 |
| Total | 45 | 31 |
| Current | | |
| (i) Financial assets carried at amortised cost | | |
| Interest Accrued | 3 | 3 |
| Other financial assets | | - |
| Total | 3 | 3 |

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

| 7. INVENTORIES | | |
|---------------------------------------------------------------------------------|-----------------------|-----------------------|
| (Amount in INR Lakhs) | | |
| Particulars | As at Mar 2024 | As at Mar 2023 |
| Raw materials and components (Valued at lower of Cost and Net Realisable value) | 579 | 1,209 |
| Work-in-progress (Valued at cost) | 206 | 190 |
| Finished goods | 176 | 465 |
| Stores & Spares | | - |
| Total | 961 | 1,864 |

| 8. TRADE RECEIVABLES | | |
|--------------------------------------------------------------------|-----------------------|-----------------------|
| Particulars | As at Mar 2024 | As at Mar 2023 |
| Current | | |
| <i>Unsecured, considered good unless otherwise stated</i> | | |
| Trade Receivables | (9) | 103 |
| | (9) | 103 |
| Breakup of Security details | | |
| Trade Receivables considered good - Secured | | - |
| Trade Receivables considered good - Unsecured | (9) | 103 |
| Trade Receivables which have significant increase in credit risk | | - |
| Trade Receivables - Credit impaired | (963) | 1,184 |
| | (972) | 1,286 |
| Impairment Allowance (allowance for bad and doubtful debts) | | |
| Unsecured, considered good | | - |
| Doubtful | 963 | (1,184) |
| | 963 | (1,184) |
| Total | (9) | 103 |

For Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person, please refer Note 32.

For Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member, please refer Note 32.

| 9. CASH AND CASH EQUIVALENTS | | |
|-------------------------------------------------------------|-----------------------|-----------------------|
| Particulars | As at Mar 2024 | As at Mar 2023 |
| Balances with banks on current accounts | 169 | 167 |
| - Deposits with original maturity of less than three months | 24 | 38 |
| Cheques/draft on hand | - | - |
| Cash on hand | 25 | 31 |
| | 217 | 236 |

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

10. OTHER ASSETS

| Particulars | (Amount in INR Lakhs) | |
|--------------------------------------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Non Current | | |
| Capital Advances | | - |
| Advances other than Capital advances | | |
| - Security Deposits | | - |
| - Advances to Related Parties | | - |
| - Advances to Supplier | | - |
| - Mobilisation Advance | | - |
| - Other Advances | | - |
| Advances to Directors or other Officers of the Company | | - |
| Others | | |
| - Prepaid expenses | | - |
| Payment of Taxes (Net of Provisions) | | - |
| - MAT Credit entitlement | | - |
| Balances with Statutory, Government Authorities | | - |
| Gratuity Fund | | - |
| Other non current assets | 2.32 | 2.32 |
| Total | 2.32 | 2.32 |
| Current | | |
| Contract Assets | | |
| - Unbilled Revenue | - | - |
| - Retention Money | | |
| Advances other than Capital advances | | |
| - Security Deposits | - | - |
| - Advances to Related Parties | - | - |
| - Mobilisation and machinery advances | - | - |
| - Machinery Advance | - | - |
| - Advances to Supplier | 40.48 | 43.46 |
| - Other Advances | - | - |
| Advances to Officers of the Company | 33.03 | 36.61 |
| Loan to Related Party | | |
| Loan to Others | | |
| Others | | |
| - Prepaid expenses | 48.70 | 52.98 |
| - Balances with Statutory and Government Authorities | 69.79 | 60.04 |
| - Other Current Assets | 71.70 | 59.07 |
| - Advance Tax & TDS | 39.35 | 33.71 |
| Total | 303.06 | 285.88 |

11. INCOME TAX

| Deferred Tax | | |
|----------------------------------------------------------------------------|------------------------------|--------------------------|
| | (Amount in INR Lakhs) | |
| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Deferred tax relates to the following: | | |
| Timing differences in the carrying amount of property, plant and equipment | 175.83 | 175.36 |
| Other temporary differences- Gratuity & Leave Encashment | (7.15) | (5.65) |
| Provision for Doubtful Debt | (372.70) | (653.03) |
| Lease Obligation Net | 0.81 | (0.82) |
| Deferred Borrowing Cost | 1.39 | 1.39 |
| MAT credit entitlement | (34.90) | (34.90) |
| Net Deferred Tax (Assets) / Liabilities | (236.72) | (517.65) |

Movement in deferred tax liabilities

| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
|-------------------------------------------------------------------|--------------------------|--------------------------|
| Opening balance as of April 1 | (518.17) | (187.31) |
| Tax (income)/expense during the year recognised in profit or loss | 279.73 | (340.76) |
| Tax (income)/expense during the year recognised in OCI | 1.04 | 9.90 |
| Tax (income)/expense during the year recognised in Retain Earning | | |
| Other Adjustments | | |
| Closing balance as at March 31 | (237.40) | (518.17) |

Unrecognised deferred tax assets

| | As at 31 Mar 2024 | As at 31 Mar 2023 |
|-------------------------|--------------------------|--------------------------|
| Unrecognised tax losses | 395.01 | 395.01 |

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax relate to income taxes levied by the same tax authority.

Tax losses which arose in India of INR 395.01 (Previous year INR Nil) that are available for offsetting for eight years against future taxable profits of the company. the co.has not file return of income since financial year 2018-2019

Considering the probability of availability of future taxable profits in the period in which tax losses expire, deferred tax assets have not been recognised in respect of the Company

Major Components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are as follows:

| i. Income tax recognised in profit or loss | | |
|---------------------------------------------------------------|------------------------------|--------------------------|
| | (Amount in INR Lakhs) | |
| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Current income tax charge | | |
| Short / (Excess) Provision for Earlier Years | | |
| MAT Tax / (MAT Credit) | | |
| Deferred tax | | |
| Relating to origination and reversal of temporary differences | 279.73 | (340.76) |
| Income tax expense recognised in profit or loss | 279.73 | (340.76) |

| ii. Income tax recognised in OCI | | |
|------------------------------------------------------------|--------------------------|--------------------------|
| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Net loss/(gain) on remeasurements of defined benefit plans | (1.04) | (9.90) |
| Income tax expense recognised in OCI | (1.04) | (9.90) |

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2024 and March 31, 2023

(Amount in INR Lakhs)

For the Year ended

| Particulars | 31-Mar-24 | 31-Mar-23 |
|-------------------------------------------------------------------------------------------|------------|--------------|
| Profit/(Loss) before tax | (824.31) | (10,858) |
| Enacted tax rate in India | 29.12% | 29.12% |
| Income tax on accounting profits | | |
| Tax Effect of | | |
| Expenses not allowable or considered separately under Income Tax | | |
| Expenses allowable | | |
| Recognition of deferred tax relating to origination and reversal of temporary differences | 280 | (341) |
| Short / (Excess) Provision for Earlier Years | | |
| Other adjustments | | |
| Tax at effective income tax rate | 280 | (341) |

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****12. SHARE CAPITAL****Authorised Equity Share Capital**

| Particulars | As at 31 Mar 2024 | | As at 31 Mar 2023 | |
|----------------------------------------------------------|-------------------|--------------|-------------------|--------------|
| | No. of Shares | INR in Lakhs | No. of Shares | INR in Lakhs |
| Authorised: | | | | |
| Equity shares of INR 1 each (March 31, 2020 INR 10 each) | 25,10,00,000 | 2,510.00 | 25,10,00,000 | 2,510.00 |
| Issued: | | | | |
| Equity shares of INR 1 each (March 31, 2020 INR 10 each) | 24,99,50,000 | 2,499.50 | 24,99,50,000 | 2,499.50 |
| Subscribed and paid-up: | | | | |
| Equity shares of INR 1 each (March 31, 2020 INR 10 each) | 24,99,50,000 | 2,499.50 | 24,99,50,000 | 2,499.50 |

(a) Reconciliation of the number of the shares outstanding at the beginning and at the end of the year:

| Authorised share capital | As at 31 Mar 2024 | | As at 31 Mar 2023 | |
|---------------------------------------|------------------------|-----------------|------------------------|-----------------|
| | No. of Shares | INR in Lakhs | No. of Shares | INR in Lakhs |
| Balance at the beginning of the year | 25,10,00,000.00 | 2,510.00 | 25,10,00,000 | 2,510.00 |
| Add/(Less) : chnages during the year | | | | |
| Balance at the end of the year | 25,10,00,000.00 | 2,510.00 | 25,10,00,000.00 | 2,510.00 |

| Issued,Subscribed and Paid up share capital | As at 31 Mar 2024 | | As at 31 Mar 2023 | |
|---------------------------------------------|------------------------|-----------------|------------------------|-----------------|
| | No. of Shares | INR in Lakhs | No. of Shares | INR in Lakhs |
| Balance at the beginning of the year | 24,99,50,000 | 2,499.50 | 24,99,50,000 | 2,499.50 |
| Add : Shares issued during the year | | | | |
| Less: shares bought back | | | | |
| Balance at the end of the year | 24,99,50,000.00 | 2,499.50 | 24,99,50,000.00 | 2,499.50 |

(b) The company has only one class of shares referred to as Equity shares having a face value of INR 1 each (March 31, 2020: INR 10 each). Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

(c) The company has not issued any bonus shares during the last five years immediately preceeding the balance sheet date.

(d) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) Details of shareholders holding more than 5% shares in the company

| Name of the shareholder | As at 31 Mar 2024 | | As at 31 Mar 2023 | |
|-----------------------------------------------|-------------------|-----------|-------------------|-----------|
| | Number | % holding | Number | % holding |
| Equity shares of INR 1 each fully paid | | | | |
| Sanjay Ratan Chowdhri | 5,65,93,000.00 | 22.64% | 5,65,93,000 | 22.64% |
| Lalita Sanjay Chowdhri | 1,71,20,000.00 | 6.85% | 1,71,20,000 | 6.85% |

(f) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

13. OTHER EQUITY

i. Reserves and Surplus

(Amount in INR Lakhs)

| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
|----------------------------|-------------------|-------------------|
| Securities Premium Reserve | 1,036 | 1,036 |
| General Reserve | - | - |
| Retained Earnings | (11,243) | (10,158) |
| | (10,207) | (9,122) |

(a) Securities Premium Reserve

| | As at 31 Mar 2024 | As at 31 Mar 2023 |
|-------------------------------------|-------------------|-------------------|
| Opening balance | 1,036 | 1,036 |
| Add/(Less): changes during the year | - | - |
| Closing balance | 1,036 | 1,036 |

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This is not available for distribution of dividend but can be

(b) General Reserve

(Amount in INR Lakhs)

| | As at 31 Mar 2024 | As at 31 Mar 2023 |
|-------------------------------------|-------------------|-------------------|
| Opening balance | | - |
| Add/(Less): changes during the year | | - |
| Closing balance | | - |

(c) Retained Earnings

(Amount in INR Lakhs)

| | As at 31 Mar 2024 | As at 31 Mar 2023 |
|---------------------------------|-------------------|-------------------|
| Opening balance | (4,008) | 6,485 |
| Net Profit/(Loss) for the year | (1,102) | (10,493) |
| Add/(Less): | | |
| Lease Adjustment net of taxes | | - |
| Dividend distribution tax (DDT) | | - |
| Closing balance | (5,110) | (4,008) |

14. DISTRIBUTION MADE AND PROPOSED

Cash dividends

(Amount in INR Lakhs)

| Particulars | As at 31 Mar 2024 | As at 31 Mar 2023 |
|------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| Cash dividends on Equity shares declared and paid: | | |
| Final dividend for the year ended on March 31, 2023: INR Nil per share (March 31 2022: INR Nil per share) | | - |
| DDT on final dividend | | - |
| | | - |
| Proposed dividends on Equity Shares: | | |
| Final dividend for the year ended on March 31, 2023: INR Nil per share (March 31, 2022: INR Nil per share) | | - |
| DDT on proposed dividend | | - |
| | | - |

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

15. BORROWINGS

| Particulars | (Amount in INR Lakhs) | |
|-----------------------------------------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Non Current Borrowings | | |
| Secured | | |
| Term Loan from Bank | 1,154.43 | 1,154.43 |
| Inter-Corporate Loan against Property | 287.12 | 287.12 |
| Unsecured | | |
| From Related Parties | 837.67 | 1,049.40 |
| From Others | 95.14 | 95.14 |
| (A) | 2,374.36 | 2,586.09 |
| Current Maturity of Non Current Borrowings | | |
| (a) Bonds/Debentures | | - |
| (a) Term Loans | 1,154.43 | 1,154.43 |
| (b) External Commercial Borrowings (ECB) from banks | | - |
| (d) Deposits | | - |
| (e) Loans from Related Parties | | - |
| (f) Long term maturity of Finance Lease Obligations | | - |
| (g) Liability Component of Compound Financial Instruments | | - |
| (h) Others | | - |
| (B) | 1,154.43 | 1,154.43 |
| Total (A)-(B) | 1,219.93 | 1,431.66 |
| Current Borrowings | | |
| Secured | | |
| (a) Cash Credit Facility with bank | 7,571.58 | 7,550.73 |
| (b) Bill Payables | - | - |
| Unsecured | | |
| (a) Loans from Banks | - | 4.61 |
| Total | 7,571.58 | 7,555.34 |

| Nature of Security | Terms of Repayment |
|-----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cash credit limits from Bank of India is secured by hypothecation of Stock and Book Debts | On Demand |
| Term Loan from Bank of India is secured by Hypothecation of Plant and Machinery | Repayable in 54 monthly installments of Commencing from April 2014 |
| Cash credit limits from Thane Bharat Sahkari Bank Ltd. is secured by hypothecation of Stock and Book Debts | On Demand |
| Property Loan from Total Holding and Finvest Pvt Ltd is secured against residential flats constructed by the company at Khopoli. | The Loan is repayable within 12 months from the date of loan agreement (28th Jan 2019) or such other date as may be mutually agreed between the parties. Interest on the same is will be charged at the rate of 21% p.a.. |

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

16. OTHER FINANCIAL LIABILITIES

| Particulars | (Amount in INR Lakhs) | |
|------------------------------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Current | | |
| Financial Liabilities at amortised cost | | |
| Current maturities of long term debts | 1,154.43 | 1,154.43 |
| Outstanding Expenses Payable | 379.04 | 247.90 |
| Unpaid dividend | 0.18 | 0.18 |
| Others | | |
| Employee Dues | 18.43 | 16.71 |
| Other Payables | 65.29 | 53.97 |
| Total | 1,617.37 | 1,473.19 |

17. TRADE PAYABLES

| Particulars | (Amount in INR Lakhs) | |
|-----------------------------------------------------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Current | | |
| Trade Payables to Micro, Small and Medium Enterprises (Refer Note 37) | (573.84) | 442.48 |
| Trade Payables to Related Parties | (0.02) | 3.14 |
| Trade Payables to Others | 178.33 | 210.06 |
| Total | (395.53) | 655.68 |

Notes:

For Trade payable to directors or other officers of the company either severally or jointly with any other person, please refer Note 32.

For Trade payable to firms or private companies respectively in which any director is a partner, a director or a member, please refer Note 32.

18. OTHER LIABILITIES

| Particulars | (Amount in INR Lakhs) | |
|-------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Current | | |
| Advances from customers | 415.94 | 461.21 |
| Statutory Liabilities | 208.00 | 178.67 |
| Capital Advances | - | - |
| Total | 623.95 | 639.88 |

19. PROVISIONS

| Particulars | (Amount in INR Lakhs) | |
|----------------------------------------------------|-----------------------|-------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Non Current | | |
| Provision for employee benefits - Gratuity | 1.05 | (1.88) |
| Total | 1.05 | (1.88) |
| Current | | |
| Provision for employee benefits - Gratuity | 17.90 | 15.69 |
| Provision for employee benefits - Leave Encashment | - | - |
| Total | 17.90 | 15.69 |

20. CURRENT TAX LIABILITY(NET)

| Particulars | (Amount in INR Lakhs) | |
|---------------------------------------|------------------------------|--------------------------|
| | As at 31 Mar 2024 | As at 31 Mar 2023 |
| Current tax liability | 317.84 | 317.84 |
| Add: Current tax payable for the year | | - |
| Less: Taxes paid | | - |
| Closing Balance | 317.84 | 317.84 |

21. REVENUE FROM OPERATIONS

| Particulars | (Amount in INR Lakhs) | |
|-------------------------|------------------------------|---------------------------------------|
| | As at 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Sale of Product | | |
| Sale of Finished Goods | 2,024.13 | 1,454.88 |
| Sale of services | | |
| -Job Work Charges | 486.02 | 385.00 |
| | 2,510.15 | 1,839.87 |

Note: For disaggregated revenue information, Please refer Note 40

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

22. OTHER INCOME

| Particulars | (Amount in INR Lakhs) | |
|------------------------------------------------|-----------------------------------|-----------------------------------|
| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Interest income on | | |
| Bank fixed deposits | 1.07 | 1.18 |
| Deposit with MSEB | 0.77 | 0.77 |
| Interest income on late payment/advances/loans | 1.70 | 5.97 |
| Other Non Operating Income | | |
| Rental Income | 16.00 | 9.00 |
| Discount received (Net) | 3.45 | 0.23 |
| Miscellaneous Income | - | - |
| Profit on sale of Car | - | - |
| Profit on sale of Flat | - | 24.14 |
| Margin Money Commission | - | - |
| Foreign Exchange Gain | 0.05 | 3.71 |
| Export Benefits (MEIS & Drawback) Received | 0.61 | - |
| VAT Refund FY 2016-2017 | - | - |
| Dividend Received from TBSB Ltd | 0.60 | 0.00 |
| Sundry balance Written off | - | - |
| | 24.26 | 45.00 |

23. COST OF MATERIALS CONSUMED

| Particulars | (Amount in INR Lakhs) | |
|-------------------------------------|-----------------------------------|-----------------------------------|
| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Stock as at beginning of the year | 1,209.19 | 7,424.57 |
| Add: Purchases | 1,250.53 | 1,156.52 |
| Diminished Value of Raw Material | | (6,321.14) |
| Less : Stock as at end of the year | (580.26) | (1,209.19) |
| Total I | 1,879.46 | 1,050.77 |
| Direct / Operating Expenses | | |
| Job work Charges and Labour charges | 112.12 | 105.76 |
| Repairs & Maintenance | 26.46 | 22.58 |
| Transport & Octroi Charges | 13.95 | 14.78 |
| Consumables - Diesel & Others | 13.01 | 1.64 |
| Water Charges | 2.71 | 1.24 |
| Electricity Charges | 256.01 | 262.83 |
| Factory License Fee | 0.38 | 0.19 |
| Testing & Inspection charges | 15.46 | 8.20 |
| Agency Charges (Import/Export) | - | - |
| Clearing & Forwarding Expenses | 4.09 | 2.54 |
| Pollution Control Fee | 0.92 | 0.93 |
| Discount | 0.14 | 1.68 |
| Other Expenses | 0.42 | 0.33 |
| Packing & Forwarding Expenses | 0.29 | 0.31 |
| Total II | 445.95 | 423.01 |
| Total I + II | 2,325.41 | 1,473.78 |

24. CHANGES IN STOCK OF FINISHED GOODS, WORK IN PROGRESS

| Particulars | (Amount in INR Lakhs) | |
|-----------------------------------------------------|-----------------------------------|-----------------------------------|
| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Inventories as at the beginning of the year | | |
| Work - in - progress | 465.15 | 2,491.77 |
| Finished Goods | 190.08 | 1,073.09 |
| Less : Inventories as at the end of the year | | |
| Work - in - progress | (205.72) | (465.15) |
| Finished Goods | (175.91) | (190.08) |
| Less : Diminution | | |
| Diminished Value of FG | - | (741.16) |
| Diminished Value of WIP | - | (1,821.40) |
| Net decrease / (increase) in inventories | 273.60 | 347.07 |

25. EMPLOYEE BENEFITS EXPENSE

| Particulars | (Amount in INR Lakhs) | |
|------------------------------------|-----------------------------------|-----------------------------------|
| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Salaries and Incentives | 131.87 | 127.57 |
| Contribution to PF , ESIC & others | 3.91 | 4.83 |
| Gratuity | 3.57 | 7.19 |
| Staff Welfare Expenses | 19.41 | 7.55 |
| Director Remuneration | 14.40 | 22.40 |
| | 173.17 | 169.54 |

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****26. FINANCE COST**

(Amount in INR Lakhs)

| Particulars | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|---------------------------------------------|--------------------------------|--------------------------------|
| Interest expense on debts and borrowings | 130.67 | 116.34 |
| Finance and Other Charges | 2.48 | 3.16 |
| Interest expense on Statutory Dues | 4.07 | 3.82 |
| Bill Discounting charges | 0.12 | 0.36 |
| Interest Others | - | - |
| Inland LC Amendment charges & Issue charges | 37.99 | 4.82 |
| | 175.32 | 128.50 |

27. DEPRECIATION EXPENSE

(Amount in INR Lakhs)

| Particulars | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|---------------------------------------|--------------------------------|--------------------------------|
| Depreciation on tangible assets | 112.35 | 121.69 |
| Depreciation on Investment Properties | - | - |
| Depreciation on ROU | 94.06 | 94.83 |
| | 206.41 | 216.53 |

28. OTHER EXPENSES

(Amount in INR Lakhs)

| Particulars | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|------------------------------------------------|--------------------------------|--------------------------------|
| Audit Fees | 2.67 | 6.00 |
| Brokerage & Commission Paid | - | - |
| CSR Expenses | - | - |
| Director Sitting Fee | 2.74 | - |
| Entertainment Expenses | 13.21 | 24.29 |
| Insurance Charges | 1.53 | 1.03 |
| Late Delivery Charges | 2.36 | 23.58 |
| Late Fee of GST | 1.13 | 0.23 |
| Veohical Maintenance Expenses | 4.33 | 6.79 |
| Misc. Expenses | 19.48 | 11.70 |
| Postage & Courier | 1.60 | 0.67 |
| Printing & Stationery | 2.24 | 1.32 |
| Professional and Legal Fees | 45.86 | 38.71 |
| Sundry Balance Write off/ Expected Credit Loss | 3.14 | 120.21 |
| Allowance for doubtful debts and advances | - | 1,183.65 |
| Rates & Taxes | 1.56 | 2.06 |
| Repairs & Maintenance | 3.33 | 11.71 |
| Membership and Subscription Fees | 0.34 | 0.24 |
| Sales Promotion expenses | 1.28 | 0.59 |
| Security charges | 3.55 | 3.49 |
| Stamping charges | 0.04 | 0.02 |
| Listing Fees | 6.06 | 6.42 |
| Telephone and internet Expenses | 3.15 | 1.21 |
| Travelling Expenses | 68.27 | 47.23 |
| Factory Renewal Charges | 0.54 | - |
| Valuation Expense | 0.25 | 1.00 |
| Hiring Charges | 3.52 | 3.47 |
| VAT Paid | - | 28.08 |
| House Keeping Charges | 12.64 | - |
| Total | 204.81 | 1,523.71 |

SUPREME ENGINEERING LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024****(a) Details of Payments to auditors****(Amount in INR Lakhs)**

| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|--------------------|-----------------------------------|-----------------------------------|
| As auditor | | |
| Audit Fee | | 6.00 |
| Tax audit fee | | |
| Limited review fee | | |

(b) Corporate social responsibility expenditure**(Amount in INR Lakhs)**

| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|-----------------------------------------------------------|-----------------------------------|-----------------------------------|
| Opening Balance of Unspent CSR Expenditure | 33.51 | 33.51 |
| Amount required to be spent as per Section 135 of the Act | 33.51 | 33.51 |
| Amount spent during the year on | | |

(d) Value of imports calculated on CIF Basis**(Amount in INR Lakhs)**

| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|------------------------------|-----------------------------------|-----------------------------------|
| Raw materials and components | | 53.77 |
| Total | | 53.77 |

(e) Expenditure in foreign currency**(Amount in INR Lakhs)**

| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|---------------------|-----------------------------------|-----------------------------------|
| Travelling Expenses | 18.50 | 1.37 |
| Total | 18.50 | 1.37 |

(f) Earnings in foreign currency**(Amount in INR Lakhs)**

| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|------------------------|-----------------------------------|-----------------------------------|
| F.O.B value of exports | 306.15 | 22.99 |
| Total | 306.15 | 22.99 |

29. EARNINGS PER SHARE**(Amount in INR Lakhs)**

| Particulars | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
|--------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| (a) Basic and Diluted earnings per share (In INR) | | |
| Profit/(Loss) attributable to the equity holders of the company (A) | (1,104.04) | (10,517.19) |
| Basic and Diluted earnings per share attributable to the equity holders of the company (A/B) | (0.44) | (4.21) |
| (b) Weighted average number of shares used as the denominator | | |
| Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share (B) | 24,99,50,000 | 24,99,50,000 |

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31,2024

| 30. EMPLOYEE BENEFIT OBLIGATIONS | | | | |
|----------------------------------------------|--------------|-------------|--------------|--------------|
| (Amount in INR Lakhs) | | | | |
| Particulars | 31-03-24 | | 31-03-22 | |
| | Current | Non | Current | Non |
| Leave obligations | | | | |
| Share appreciation rights (Refer Note XX) | | | | |
| Provisions | | | | |
| Gratuity | 17.90 | 1.05 | 15.69 | -1.88 |
| Defined pension benefits | | | | |
| Employee Benefit Obligation | 17.90 | 1.05 | 15.69 | -1.88 |
| Plan Assets | | | | |
| Gratuity | - | - | - | - |
| Employee Benefit Plan Assets | - | - | - | - |

Post Employment obligations

a) Defined benefit plans - Gratuity

The company provides for gratuity for employees in india as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by number of years of service.

The gratuity plan is a funded plan and the company makes contributions to recognised funds in India. The company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected

The amount recognised in the balance sheet and the movement in the net defined benefit obligation over the period are as

(Amount in INR Lakhs)

| Particulars | Present value of obligation | Fair value of plan assets |
|-----------------------------------------------------------------------|-----------------------------|---------------------------|
| As at March 31, 2020 | 40.45 | -1.36 |
| Current service cost | 6.32 | |
| Past service cost | | |
| Interest expense/(income) | 2.75 | -0.09 |
| Adjustment to opening Fair Value of Plan Assets | | |
| Total amount recognised in profit or loss | 9.07 | -0.09 |
| <i>Remeasurements</i> | | |
| Retrun of plan assets, excluding amount included in interest (income) | | |
| (Gain)/Loss from change in demographic assumptions | | |
| (Gain)/Loss from change in financial assumptions | | |
| Experience (gains)/losses | -0.98 | 0.00 |
| Total amount recognised in other comprehensive income | -0.98 | 0.00 |
| Employer contributions | - | - |
| Benefit payments | - | - |
| As at March 31, 2021 | 48.54 | -1.45 |
| Current service cost | 5.68 | |
| Past service cost | | |
| Interest expense/(income) | 3.30 | -0.10 |
| Adjustment to opening Fair Value of Plan Assets | | |
| Total amount recognised in profit or loss | 8.98 | -0.10 |
| <i>Remeasurements</i> | | |
| Retrun of plan assets, excluding amount included in interest (income) | | |
| (Gain)/Loss from change in demographic assumptions | | |
| (Gain)/Loss from change in financial assumptions | | |
| Experience (gains)/losses | -8.68 | 0.00 |
| Total amount recognised in other comprehensive income | -8.68 | 0.00 |
| Employer contributions | - | - |
| Benefit payments | -0.25 | - |
| As at March 31, 2022 | 48.60 | -1.54 |
| Current service cost | 2.28 | |
| Past service cost | | |
| Interest expense/(income) | 2.80 | - |
| Adjustment to opening Fair Value of Plan Assets | | 1.54 |

| | | |
|-----------------------------------------------------------------------|---------------|-------------|
| Total amount recognised in profit or loss | 5.08 | 1.54 |
| <i>Remeasurements</i> | | |
| Retrun of plan assets, excluding amount included in interest (income) | | |
| (Gain)/Loss from change in demographic assumptions | | |
| (Gain)/Loss from change in financial assumptions | | |
| Experience (gains)/losses | -34.07 | 0.00 |
| Total amount recognised in other comprehensive income | -34.07 | 0.00 |
| Employer contributions | - | - |
| Benefit payments | - | - |
| As at March 31, 2023 | 19.61 | 0.00 |
| Current service cost | 1.55 | - |
| Past service cost | | |
| Interest expense/(income) | 1.42 | - |
| Adjustment to opening Fair Value of Plan Assets | | |
| Total amount recognised in profit or loss | 2.96 | - |
| <i>Remeasurements</i> | | |
| Retrun of plan assets, excluding amount included in interest (income) | | |
| (Gain)/Loss from change in demographic assumptions | | |
| (Gain)/Loss from change in financial assumptions | | |
| Experience (gains)/losses | -3.62 | 0.00 |
| Total amount recognised in other comprehensive income | -3.62 | 0.00 |
| Employer contributions | - | - |
| Benefit payments | - | - |
| As at March 31, 2024 | 18.96 | 0.01 |

The major categories of plan assets of the fair value of the total plan assets are as follows

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-------------------------------|-------------------|-------------------|-------------------|
| Equity Instruments | | | |
| Sector 1 | | | |
| Sector 2 | | | |
| Sector 3 | | | |
| Debt Instruments | | | |
| Government Bonds | | | |
| Corporate Bonds | | | |
| Asset backed securities | | | |
| Real estate investment trusts | | | |
| Mortgae backed securities | | | |
| Investment funds | | | |
| Mutual funds | | | |
| Derivatives | | | |
| Interest rate swaps | | | |
| Equity futures | | | |
| Gratuity Fund | 0.00 | (1.54) | (1.45) |

The significant actuarial assumptions were as follows:

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2023 |
|---------------------------------------------|----------------------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Mortality | Indian Assured lives mortality (2012-14) Ult | Indian Assured lives mortality | Indian Assured lives mortality | Indian Assured lives mortality |
| Discount rate | 7.10% | 6.80% | 6.80% | 6.80% |
| Rate of increase in compensation | 7.00% | 7.00% | 7.00% | 7.00% |
| Expected average remaining service (Years) | 30.63 | 30.63 | 30.63 | 31.55 |
| Employee Attrition Rate (Past Service (PS)) | 5% | 5.00% | 5.00% | 5.00% |
| Expected return on plan assets | | | | |
| Salary growth rate | | | | |
| Life expectation for | | | | |
| Male | | | | |
| Female | | | | |

A quantitative sensitivity analysis for significant assumption is shown

| Assumptions | Discount rate | | Salary Escalation Rate | |
|--------------------------------------|---------------|----------|------------------------|-------------|
| Sensitivity Level | 1% increase | 1% | 1% | 1% decrease |
| March 31, 2024 | | | | |
| Impact on defined benefit obligation | 17.74 | 20.35 | 20.33 | 17.72 |
| % Impact | -490.17% | 686.30% | -5.619874 | 597.83% |
| Sensitivity Level | 1% increase | 1% | 1% | 1% decrease |
| March 31, 2023 | | | | |
| Impact on defined benefit obligation | 18.15 | 21.28 | 21.27 | 18.13 |
| % Impact | -53.27% | -245.34% | -62.45% | -208.96% |
| March 31, 2022 | | | | |
| Impact on defined benefit obligation | 45.91 | 51.78 | 51.74 | 45.89 |
| % Impact | 94.48% | 106.67% | 106.47% | 94.55% |
| March 31, 2021 | | | | |
| Impact on defined benefit obligation | 45.73 | 51.87 | 51.83 | 45.71 |
| % Impact | 94.20% | 128.23% | 106.77% | 113.00% |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

| Particulars | (Amount in INR Lakhs) | | |
|--------------------------------|-----------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| First Year | 1.05 | 1.15 | 2.22 |
| Second Year | 5.58 | 0.66 | 0.89 |
| Third Year | 3.37 | 5.26 | 0.86 |
| Fourth Year | 0.31 | 3.07 | 7.67 |
| Fifth Year | 0.30 | 0.35 | 2.84 |
| Sixth to Tenth Year | 14.42 | 13.70 | 6.80 |
| Total expected payments | 25.04 | 24.20 | 21.27 |

b) Defined pension benefits
Disclosures would be same as given for Gratuity

b) Defined contribution plans - Provident fund

The company also has defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is INR 9.85(March 31, 2020: INR 6.66)

31. COMMITMENTS AND CONTINGENCIES**(Amount in INR Lakhs)**

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|----------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| a) Capital Commitments Towards | | | - |
| (i) Property, plant and equipment contracts remaining to be executed on capital account not provided for (net of advances) | | | - |
| (ii) Uncalled amount on investment in shares | | | - |
| (iii) Financial commitment to provide capital/ loan to subsidiary company | | | - |
| a) Contingent liabilities | | | |
| (i) Claims against the Company not acknowledged as debts | | | - |
| (i) Income Tax disputes | 936.05 | 936.05 | 66.08 |
| (ii) Indirect Tax disputes | 1,054.28 | 1,054.28 | 1,007.98 |
| (iii) Financial Guarantees | 32.16 | 108.07 | 76.68 |
| | 10,806,716.00 | 3216019 | 7,590,697.00 |

Breif description of the nature of each contingent liability

(Also specify (i) an estimate of its financial effect, (ii) an indication of the uncertainties relating to the amount or timing of any outflow, and (iii) possibility of

(Amount in Level of Rounding)**C. Financial Guarantees**

RELATED PARTY TRANSACTIONS FY-2022-23

| Unit | Sr.No. | Name of ledger | Nature of relationship | Nature of transaction | Opening Balance (Cr/(Dr)) | Purchase | Jobwork Purchase | Journal | Receipts | Jobwork Sales | Sale | Payment | Journal | Closing Balance | | |
|---------|-------------------|----------------------------------------------|-------------------------|------------------------|---------------------------|-----------|------------------|-------------|-------------|---------------|------|-----------|-----------|-----------------|--------------|----|
| Rabale | 1 | Economic Forge Pvt. Ltd (Cr) | Associate Corcern | Purchase of goods | 310439.50 | 439351.76 | | 0.00 | | | | 0.00 | 692249.80 | 57,541.46 | Cr | |
| | 2 | Economic Forge Pvt. Ltd (Dr) | Associate Corcern | Sale of goods | 7232565.70 | | | | 23462532.38 | 31388926 | | | | | -693827.92 | cr |
| | 3 | ASC Engineers Pvt. Ltd. Loan A/c | Associate Corcern | Trade advance | -722500.00 | | | 722500 | | | | | | | 0.00 | Dr |
| | 4 | Sparc Industries | Associate Corcern | Advance from suppliers | 464151.91 | | | 2189518.64 | 2483000 | | | | | 469616.82 | 4667053.73 | Cr |
| | 5 | Sanjay Chowdhri (Exps) | Managing Director | Advance to staff | 0.00 | | | | | | | | | | 0.00 | Cr |
| | | Sanjay Chowdhri HUF (Loan) | Associate Corcern | Loan from director | 0.00 | | | | | | | | | | 0.00 | |
| | 6 | Sanjay R Chowdhri Loan A/c | Managing Director | Loan from director | 99905051.36 | | | 14096390.36 | | | | | | 6728755 | 107272686.72 | Cr |
| | 7 | Director Remuneration (Mr. Sanjay Chowdhri) | Managing Director | Director Remneration | 5357076 | 800000 | | | | | | | | 7200 | 6149876.00 | Cr |
| | 8 | Rent- Sanjay Chowdhri | Managing Director | Rent | 13640869.00 | 10800000 | | 2722616.82 | | | | 10028725 | | 6339616 | 10795144.82 | Cr |
| | 9 | Pranav Chowdhri (Salary) | Chief Executive Officer | Salary | 4125297 | 499200.00 | | 1425006 | | | | 383107 | | 24000.00 | 5642396.00 | Cr |
| | 10 | Krupali Thakkar | Compliance Officer | Salary | 46812.00 | | | | | | | | | | 46812.00 | Cr |
| | 11 | Rattan Prakash Chowdhri | Promoter | Advance | 154800.00 | | | | | | | | | | 154800.00 | Cr |
| | 12 | Amol Dhuldhule-CFO-Salary (w.e.f. 08.03.21) | Chief Financial Officer | Salary | 3400.00 | | | | | | | | | | 3400.00 | Cr |
| | 13 | Sadashiv Bangera-CFO-Salary | Chief Financial Officer | Salary | 26597.00 | 584796 | | | | | | | 511061 | | 100332.00 | Cr |
| 14 | Abhinav Chowdhri | Executive Director | Loan from director | 0.00 | | | | | 649000 | | | 511660 | | 137340.00 | Cr | |
| 15 | Lalitha Chowdhari | | Loan from director | 947945 | | | | | | | | 100000 | | 847945.00 | | |
| 16 | | | | | | | | | | | | | | 0.00 | | |
| Khopoli | 17 | Director Remuneration (Mr. Abhinav Chowdhri) | Executive Director | Director Remneration | 28000 | 1440000 | | | | | | 915700 | 238680 | 313620.00 | Dr | |
| | 18 | Economic Forge Pvt. Ltd (Creditors) | Associate Corcern | Purchase of goods | 202222.00 | 281645.35 | | | | | | 451157.00 | 3379.00 | 29331.35 | Cr | |
| | 19 | Economic Forge Pvt. Ltd (Debtors) | Associate Corcern | Sale of goods | 17830513.00 | | | 11028377.94 | 25353721 | 11028377.94 | | | | 10841450.94 | 32342783.06 | Cr |
| | 20 | Economic Forge Pvt. Ltd (Jobwork) | Associate Corcern | Sale of goods | 0.00 | | | | | | | | | | 0.00 | Cr |
| | 21 | Sanjay R Chowdhri (HUF) Loan A/c | Associate Corcern | Loan from director | 0.00 | | | | | | | | | | 0.00 | Cr |
| | 22 | Sparc Industries | Associate Corcern | Advance from Supplier | 13926744.00 | 1082886 | | | 95000 | | | | | | 15104630.00 | Cr |
| | 23 | LSC Enterprises Pvt. Ltd. | Associate Corcern | Advance | 0.00 | | | | | | | | | | 0.00 | Dr |

RELATED PARTY TRANSACTIONS FY-2021-22

| Unit | Sr.No. | Name of ledger | Nature of relationship | Nature of transaction | Opening Balance (Cr/(Dr)) | Purchase | Jobwork Purchase | Journal | Receipts | Jobwork Sales | Sale | Payment | Journal | Closing Balance | | |
|---------|------------------|----------------------------------------------|-------------------------|------------------------|---------------------------|-----------|------------------|---------------|---------------|---------------|--------------|--------------|--------------|-----------------|-------------|----|
| Rabale | 1 | Economic Forge Pvt. Ltd (Crs) | Associate Concern | Purchase of goods | 0.00 | 245817.00 | 64622.00 | 0.00 | | | | 0.00 | 0.00 | 310,439.00 | Cr | |
| | 2 | Economic Forge Pvt. Ltd (Dr) | Associate Concern | Sale of goods | -1659742.00 | | | 574,476.00 | 13,711,728.00 | 4,393,896.30 | | | 1,000,000.00 | 7232565.70 | Cr | |
| | 3 | ASC Engineers Pvt. Ltd. Loan A/c | Associate Concern | Trade advance | -693000.00 | | | | | | | | 29500.00 | -722500.00 | Dr | |
| | 4 | Sparc Industries | Associate Concern | Advance from suppliers | 1799370.91 | | | 481100.00 | 2170000.00 | | | 1192319.00 | 2794000.00 | 464151.91 | Cr | |
| | 5 | Sanjay Chowdhri (Exps) | Managing Director | Advance to staff | 500000.00 | | | | | | | | | 500000.00 | 0.00 | Cr |
| | | Sanjay Chowdhri HUF (Loan) | Associate Concern | Loan from director | | | | 6595495.00 | 7,570,000.00 | | | | 11708000.00 | 2457495.00 | 0.00 | |
| | 6 | Sanjay R Chowdhri Loan A/c | Managing Director | Loan from director | 99941215.36 | | | 487990.00 | 650,000.00 | | | | 628854.00 | 545300.00 | 99905051.36 | Cr |
| | 7 | Director Remuneration (Mr. Sanjay Chowdhri) | Managing Director | Director Remneration | | | | 2,400,000.00 | | | | | | | - | Cr |
| | 8 | Rent- Sanjay Chowdhri | Managing Director | Rent | 14590031.00 | | | 10,177,943.00 | | | | | 5,658,049.00 | 5469056.00 | 13640869.00 | Cr |
| | 9 | Pranav Chowdhri (Salary) | Chief Executive Officer | Salary | | | | 500,004.00 | | | | | | | - | Cr |
| | 10 | Krupali Thakkar | Compliance Officer | Salary | | | | 435,110.00 | | | | | | | 46,812.00 | Cr |
| | 11 | Rattan Prakash Chowdhri | Promoter | Advance | | | | | | | | | | | 154800.00 | Cr |
| | 12 | Amol Dhuldhule-CFO-Salary (w.e.f. 08.03.21) | Chief Financial Officer | Salary | | | | 196,027.00 | | | | | | | 3400.00 | Cr |
| | 13 | Sadashiv Bangera-CFO-Salary | Chief Financial Officer | Salary | | | | 26,597.00 | | | | | | | 26597.00 | Cr |
| 14 | Abhinav Chowdhri | Executive Director | Loan from director | 2689752.00 | | | | 18,000.00 | | | | | 2707752.00 | 0.00 | Cr | |
| Khopoli | 15 | Director Remuneration (Mr. Abhinav Chowdhri) | Executive Director | Director Remneration | | | 1,440,000.00 | | | | | | | 0.00 | Dr | |
| | 16 | Economic Forge Pvt. Ltd (Creditors) | Associate Concern | Purchase of goods | 202222.00 | | | | | | | | | 202,222.00 | Cr | |
| | 17 | Economic Forge Pvt. Ltd (Debtors) | Associate Concern | Sale of goods | 25294990.00 | | | 6,000,000.00 | | | 8077843.00 | 4,886,634.00 | 500,000.00 | 17830513.00 | Cr | |
| | 18 | Economic Forge Pvt. Ltd (Jobwork) | Associate Concern | Sale of goods | | | | 4,968,862.00 | | | 4,968,862.00 | | | | 0.00 | Cr |
| | 19 | Sanjay R Chowdhri (HUF) Loan A/c | Associate Concern | Loan from director | 2610000.00 | | | | | | | | | 2610000.00 | 0.00 | Cr |
| | 20 | Sparc Industries | Associate Concern | Advance from Supplier | 17310414.00 | | | 2743330.00 | | | | | | 6127000.00 | 13926744.00 | Cr |
| | 21 | LSC Enterprises Pvt. Ltd. | Associate Concern | Advance | -1637000.00 | | | 1637000.00 | | | | | | | 0.00 | Dr |

32. RELATED PARTY TRANSACTIONS**(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures****Name of Related Party**

| Key Managerial Personnel: | Nature of Relationship |
|----------------------------------|-------------------------------|
| Sanjay Chowdhri | Managing Director |
| Abhinav Chowdhri | Executive Director |
| Pranav Chowdhri | Chief Executive Officer |
| Varsha Khaitan | Compliance Officer |
| Rattan Prakash Chowdhri | Promoter |
| Sadashiv Bangera | Chief Financial Officer |

Enterprises owned or significantly influenced by KMI Nature of Relationship**Country of Incorporation**

| | | |
|--------------------------------|-------------------|-------|
| Economic Forge Private Limited | Associate Concern | India |
| ASC Engineers Private Limited | Associate Concern | India |
| Sparc Industries | Associate Concern | India |
| LSC Enterprises Pvt. Ltd. | Associate Concern | India |

(ii) Transactions with related parties

The following transactions occurred with related parties

(Amount in INR Lakhs)

| Nature of Relationship | Nature of Transaction | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|------------------------------------------------------|--------------------------------|----------------|----------------|----------------|----------------|
| Key Managerial Personnel | Managerial Remuneration | - | 22.40 | 38.40 | 84.00 |
| | Salary | 27.92 | 10.84 | 11.58 | 28.09 |
| | Rent | 108.00 | 108.00 | 101.78 | 108.00 |
| | Loan Received | 360.50 | 6.49 | 82.38 | 0.80 |
| | Loan Paid | 421.94 | 6.12 | 123.37 | 27.35 |
| | Commission | - | - | - | - |
| | Advance to staff | - | - | - | 3.00 |
| Enterprises owned or significantly influenced by KMP | Sale of Goods/ Jobwork | 285.25 | - | 170.41 | 203.23 |
| | Purchase of Goods/ Jobwork | 60.00 | 7.21 | 3.10 | 153.11 |
| | Trade Advance Paid | - | - | 0.30 | - |
| | Advance received from Supplier | - | 25.78 | 21.70 | 191.65 |
| | Advance repaid Customers | - | 7.23 | 27.94 | 265.11 |

(iii) Amount due to related parties**(Amount in INR Lakhs)**

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|------------------------------------------------------|----------------|----------------|----------------|----------------|
| Loan Taken | | | | |
| Key Managerial Personnel | 835.67 | 1,134.23 | 999.05 | 1,052.41 |
| Trade Receivable | | | | |
| Enterprises owned or significantly influenced by KMP | 1.17 | 316.49 | 16.60 | 16.60 |
| Trade Payable | | | | |
| Enterprises owned or significantly influenced by KMP | 163.22 | 0.87 | 5.13 | 2.02 |
| Trade Advance paid | | | | |
| Enterprises owned or significantly influenced by KMP | 301.27 | - | (7.23) | 23.30 |
| Advance from Customers | | | | |
| Enterprises owned or significantly influenced by KMP | - | 197.72 | 14.38 | 444.05 |
| Commission Payable | | | | |
| Key Managerial Personnel | - | - | - | - |
| Rent Payable | | | | |
| Key Managerial Personnel | 16.90 | 107.95 | 136.41 | 145.90 |
| Advance to staff | | | | |
| Key Managerial Personnel | 9.24 | - | - | 8.74 |
| Salary/Remuneration Payable | | | | |
| Key Managerial Personnel | 57.48 | 64.63 | 0.77 | 76.10 |

(iv) Key management personnel compensation**(Amount in INR Lakhs)**

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|---------------------------|----------------|----------------|----------------|----------------|
| Post-employment benefits* | - | - | - | - |
| | - | - | - | - |

* The amount of post employment benefit are not available separately in the actuarial's report. Composite amount is disclosed in Note No. 30

(v) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs by cash flows. There have been no guarantees provided or received for any related party receivables and payables. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

33. SEGMENT REPORTING

The company's operations predominantly consist of manufacturing of steel products and heavy engineering activities. Hence there are no reportable segments under Ind AS - 108 "Operating Segment" during the year under report, the company has engaged in its business only within India and not in any other country. The condition prevailing in India being uniform, no separate geographical disclosures are considered necessary.

34. FAIR VALUE MEASUREMENTS**i. Financial Instruments by Category****(Amount in INR Lakhs)**

| Particulars | Carrying Amount | | | Fair Value | | |
|----------------------------------|-----------------|-----------------|------------------|-----------------|-----------------|------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| FINANCIAL ASSETS | | | | | | |
| Amortised cost | | | | | | |
| Trade Receivables | (9.02) | 102.67 | 2,113.63 | -9.02 | 102.67 | 2,113.63 |
| Loans | | | - | | | - |
| Cash and Cash Equivalents | 217.04 | 236.33 | 191.50 | 217.04 | 236.33 | 191.50 |
| Other Financial Assets | 48.09 | 34.29 | 34.16 | 48.09 | 34.29 | 34.16 |
| FVTPL | | | | | | |
| Investment in Equity Instruments | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Total | 257.10 | 374.29 | 2,340.29 | 257.10 | 374.29 | 2,340.29 |
| FINANCIAL LIABILITIES | | | | | | |
| Amortised cost | | | | | | |
| Borrowings | - | - | 9,691.84 | - | - | 9,691.84 |
| Trade Payables | (573.84) | 442.48 | 831.89 | -573.84 | 442.48 | 831.89 |
| Lease Liability | 52.52 | 152.18 | 239.25 | 52.52 | 152.18 | 239.25 |
| Other financial liabilities | 1,617.37 | 1,473.19 | 979.42 | 1,617.37 | 1,473.19 | 979.42 |
| Total | 1,096.05 | 2,067.85 | 11,742.40 | 1,096.05 | 2,067.85 | 11,742.40 |

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

SUPREME ENGINEERING LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2024

34 **34. FAIR VALUE MEASUREMENTS**

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | | | | March 31, 2023 | | | | March 31, 2022 | | | | Total | March 31, 2020 | | | | | | |
|------------------------------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|-----------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|-----------------|-------------------------------------------|-----------------------------------------|-------------------------------------------|-----------------|-------|-------------------------------------------|-----------------------------------------|-------------------------------------------|-------|---|-----------------|-----------------|
| | Fair value measurement using | | | Total | Fair value measurement using | | | Total | Fair value measurement using | | | Total | | Fair value measurement using | | | Total | | | |
| | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | | | Quoted prices in active markets (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) | | | | |
| Financial Assets | | | | - | | | | - | | | | - | | | | - | | | | - |
| Financial Investments at FVTPL | | | | - | | | | - | | | | - | | | | - | | | | - |
| Unquoted equity shares | | | 1.00 | 1.00 | | | 1.00 | 1.00 | | | 1.00 | 1.00 | | | 1.00 | 1.00 | | | 1.00 | 1.00 |
| Total Assets | - | - | 1.00 | 1.00 | - | - | 1.00 | 1.00 | - | - | 1.00 | 1.00 | - | - | 1.00 | 1.00 | - | - | 1.00 | 1.00 |
| Financial Liabilities | | | | | | | | | | | | | | | | | | | | |
| Borrowings | | | 1,219.93 | 1,219.93 | | | 1,431.66 | 1,431.66 | | | 2,141.95 | 2,141.95 | | | 2,138.96 | 2,138.96 | | | 2,138.96 | 2,138.96 |
| Lease liabilities | | | - | - | | | - | - | | | - | - | | | - | - | | | - | - |
| Total Financial Liabilities | - | - | 1,219.93 | 1,219.93 | - | - | 1,431.66 | 1,431.66 | - | - | 2,141.95 | 2,141.95 | - | - | 2,138.96 | 2,138.96 | - | - | 2,138.96 | 2,138.96 |

There have been no transfers among Level 1, Level 2 and Level 3 during the year

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iv. Valuation processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee. Discussions of valuation processes and results are held between the CFO, AC and the valuation team at least once every three months, in line with the company's quarterly reporting periods.

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NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31,2024

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35. FINANCIAL RISK MANAGEMENT

The company's activity expose it to market risk, liquidity risk and credit risk. The company's focus is to foresee the unpredictability of financial risk and to address the issue to minimize the potential adverse effects of its financial performance. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the company's management.

(A) Credit risk

Credit risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(B) Liquidity risk

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and longterm. .

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Maturities of financial liabilities

The tables below provides details regarding the contractual maturities of significant financial liabilities :

(Amount in INR Lakhs)

| Particulars | Carrying Amount | Contractual cash flows | | | |
|-------------------------------|-----------------|------------------------|------------------|--------------|-----------|
| | | Total | Less than 1 year | 1 to 5 years | > 5 Years |
| March 31, 2024 | | | | | |
| Financial Assets | | | | | |
| Non Current Investments | 1.00 | 1.00 | - | 1.00 | |
| Trade Receivables | - | -9.02 | -9.02 | | |
| Cash and Cash Equivalents | 217.04 | 217.04 | 217.04 | | |
| Loans | - | - | - | | |
| Other Financial Assets | 48.09 | 48.09 | 3.22 | 44.87 | |
| Total Financial Assets | 266.12 | 257.10 | 211.23 | 45.87 | - |

| | | | | | |
|-------------------------------|------------------|------------------|-----------------|-----------------|----------|
| Financial Liabilities | | | | | |
| Borrowings | 8,791.51 | 8,791.51 | 1,219.93 | 7,571.58 | |
| Trade payables | -573.84 | -573.84 | -573.84 | | |
| Other financial liabilities | 1,617.37 | 1,617.37 | 1,617.37 | | |
| Total liabilities | 9,835.04 | 9,835.04 | 2,263.46 | 7,571.58 | - |
| March 31, 2023 | | | | | |
| Financial Assets | | | | | |
| Non Current Investments | 1.00 | 1.00 | - | 1.00 | |
| Trade Receivables | 102.67 | 102.67 | 102.67 | | |
| Cash and Cash Equivalents | 472.65 | 236.33 | 236.33 | - | |
| Loans | 625.29 | 312.64 | 237.43 | 75.22 | |
| Other Financial Assets | 68.59 | 34.29 | 3.08 | 31.21 | |
| Total Financial Assets | 1,270.19 | 686.93 | 579.50 | 107.43 | - |
| Financial Liabilities | | | | | |
| Borrowings | 8,987.00 | 8,987.00 | 1,431.66 | 7,555.34 | |
| Trade payables | 655.68 | 655.68 | 442.48 | 213.20 | |
| Other financial liabilities | 152.18 | 152.18 | 152.18 | | |
| Total liabilities | 9,794.86 | 9,794.86 | 2,026.33 | 7,768.54 | - |
| March 31, 2022 | | | | | |
| Financial Assets | | | | | |
| Non Current Investments | 1.00 | 1.00 | - | 1.00 | |
| Trade Receivables | 2,113.63 | 2,113.63 | 2,113.63 | | |
| Cash and Cash Equivalents | 191.50 | 191.50 | 191.50 | | |
| Loans | - | - | - | | |
| Other Financial Assets | 34.16 | 34.16 | 2.95 | 31.21 | |
| Total Financial Assets | 2,340.29 | 2,340.29 | 2,308.08 | 32.21 | - |
| Financial Liabilities | | | | | |
| Borrowings | 10,095.89 | 10,095.89 | 2,546.00 | 7,549.89 | |
| Trade payables | 831.89 | 831.89 | 831.89 | | |
| Other financial liabilities | 979.42 | 979.42 | 979.42 | | |
| Total liabilities | 11,907.20 | 11,907.20 | 4,357.31 | 7,549.89 | - |

312.64

| | | | | | |
|-------------------------------|------------------|------------------|-----------------|-----------------|-------------|
| March 31, 2021 | | | | | |
| Financial Assets | | | | | |
| Non Current Investments | 1.00 | 1.00 | - | 1.00 | |
| Trade Receivables | 7,132.75 | 7,132.75 | 7,132.75 | | |
| Cash and Cash Equivalents | 541.04 | 541.04 | 541.04 | | |
| Loans | - | - | - | | |
| Other Financial Assets | 108.21 | 108.21 | 76.93 | 31.28 | |
| Total Financial Assets | 7,782.99 | 7,782.99 | 7,750.71 | 32.28 | - |
| Financial Liabilities | | | | | |
| Borrowings | 10,551.55 | 10,551.55 | 2,554.38 | 7,997.17 | |
| Trade payables | 4,445.82 | 4,445.82 | 4,445.82 | | |
| Other financial liabilities | 977.73 | 977.73 | 977.73 | | |
| Total liabilities | 15,975.10 | 15,975.10 | 7,977.93 | 7,997.17 | - |
| March 31, 2020 | | | | | |
| Financial Assets | | | | | |
| Non Current Investments | 1.00 | 1.00 | - | 1.00 | |
| Trade Receivables | 9,218.14 | 9,218.14 | 9,218.14 | | |
| Cash and Cash Equivalents | 380.21 | 380.21 | 380.21 | | |
| Loans | 3.00 | 3.00 | 3.00 | | |
| Other Financial Assets | 88.77 | 88.77 | 58.88 | 29.89 | |
| Total Financial Assets | 9,691.12 | 9,691.12 | 9,660.24 | 30.89 | - |
| Financial Liabilities | | | | | |
| Borrowings | 8,745.26 | 8,745.26 | 1,674.90 | 7,070.36 | |
| Trade payables | 7,628.58 | 7,628.58 | 7,628.58 | | |
| Other financial liabilities | 473.23 | 473.23 | - | 473.23 | |
| Total liabilities | 16,847.07 | 16,847.07 | 9,303.48 | 7,543.59 | 0.00 |

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

(i) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign receivables.

The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies and standard operating procedures to mitigate the risks.

| (a) Foreign currency risk exposure | | (Amount in INR Lakhs) |
|----------------------------------------------|--|------------------------------|
| Particulars | | |
| March 31, 2023 | | |
| Trade Receivables | | 51.03 |
| Advance | | 21.27 |
| Net exposure to foreign currency risk | | 72.30 |
| March 31, 2022 | | |
| Trade Receivables | | 51.03 |
| Advance | | 21.27 |
| Net exposure to foreign currency risk | | 72.30 |
| March 31, 2021 | | |
| Trade Receivables | | 45.49 |
| Advance | | 34.88 |

| | |
|---------------------------------------|-------|
| Net exposure to foreign currency risk | 80.37 |
| | |

(b) Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit/(Loss) before tax:

| Particulars | 2022-23 | | 2021-22 | | 2020-21 | |
|--------------------------------------------------|-------------|-------------|-------------|--------------|-------------|--------------|
| | 1% Increase | 1% Decrease | 1% Increase | 1% Decrease | 1% Increase | 1% Decrease |
| Foreign Currency | - | - | 0.72 | -0.72 | 0.80 | -0.80 |
| Net Increase/(decrease) in profit or loss | - | - | 0.72 | -0.72 | 0.80 | -0.80 |

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(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day-to-day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

(a) Interest rate risk exposure

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR Lakhs)

| Particulars | Impact on profit before tax | | |
|-------------------------------------------------------------------|-----------------------------|-----------------|-----------------|
| | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Variable rate borrowings Working capital loan Bank Facility | 7,768.54 | 7,549.89 | 7,997.17 |
| Fixed rate borrowings | 1,441.55 | 1,441.73 | 1,423.25 |
| Total borrowings | 9,210.08 | 8,991.62 | 9,420.42 |
| % of borrowings at variable rate | 84% | 84% | 85% |

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

| Particulars | Impact on profit before tax | | |
|------------------------------------------------|-----------------------------|----------------|----------------|
| | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Interest rates - increase by 25 basis points* | 19.42 | 18.87 | 19.99 |
| Interest rates - decrease by 25 basis points* | -19.42 | -18.87 | -19.99 |
| Interest rates - increase by 70 basis points | 54.38 | 52.85 | 52.85 |
| Interest rates - decrease by 70 basis points * | 54.38 | 52.85 | 55.98 |

* holding all other variables constant

(iii) Price risk

Commodity price risk - The company is affected by the price volatility of certain commodities. Its operating activities require a continuous supply of Steel (goods-RM). Due to the significantly increased volatility of the price of the Steel (goods-RM), the company also entered into various purchase contracts for Steel (goods-RM) for which there is an active market.

The company's board of directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The company mitigates its commodity price risk by ordering as per the price fluctuations which is in the best interest of the company.

For the purpose of the Company's capital management, capital includes issued equity capital, share 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.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio between 60% and 80%. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

For the purpose of capital management, capital includes issued equity capital, securities premium and all other revenue reserves. Net debt includes all long and short-term borrowings as reduced by cash and cash equivalents and other bank balances.

| Particulars | (Amount in INR Lakhs) | | |
|-----------------------------|-----------------------|------------------|------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Borrowings | 8,791.51 | 8,987.00 | 9,691.84 |
| Trade payables | -573.84 | 442.48 | 831.89 |
| Other financial liabilities | | | |
| Less: | | | |
| Cash and cash equivalents | 217.04 | 236.33 | (191.50) |
| Other bank balances | | | |
| Net Debt | 8,434.71 | 10,511.68 | 10,332.23 |
| Equity share capital | 2,499.50 | 2,499.50 | 2,499.50 |
| Other equity | -10,207.08 | -9,121.76 | 1,371.01 |
| Total Capital | -7,707.58 | -6,622.26 | 3,870.51 |
| | | | |
| Capital and net debt | 727.12 | 3,889.42 | 14,202.75 |
| | | | |
| Gearing ratio | 1160.01% | 270.26% | 72.75% |

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

37. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Amount in INR Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|
| Principal amount remaining unpaid to any supplier as at the end of the year. | 0.00 | 442.48 | 5.00 |
| Amount of interest due remaining unpaid to any supplier as at the end of the year. | | | |
| Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year. | | | |
| Amount of interest due and payable for the period of delay in making payment (where the principal has been paid but interest under the MSMED Act, 2006 not paid). | | | |
| Amount of interest accrued and remaining unpaid at the end of year. | | | |
| Amount of further interest remaining due and payable even in the succeeding year | | | |

(Amount in Level of Rounding)

38. ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for current and non current borrowings are:

| | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|----------------------------------------------------------------|-----------------|-----------------|------------------|
| CURRENT ASSETS | | | |
| i. Financial Assets | | | |
| Floating Charge | | | |
| Cash and cash equivalents | | | |
| Receivables | (9.02) | 102.67 | 2,113.63 |
| ii. Non Financial Assets | | | |
| First Charge | | | |
| Inventories | 960.52 | 1,864.42 | 10,989.43 |
| Total current assets pledge as security | 951.50 | 1,967.09 | 13,103.06 |
| NON CURRENT ASSETS | | | |
| First Charge | | | |
| Freehold land | 71.60 | 79.71 | 88.77 |
| Freehold building | 1,188.72 | 1,281.06 | 1,387.45 |
| Plants and equipments | 0.59 | 0.53 | 0.69 |
| Furniture, fittings and equipment acquired under finance lease | | | |
| Investment properties | | | |
| Total non current assets pledge as security | 1,260.90 | 1,361.30 | 1,476.91 |

39. Leases

The company has applied Ind AS 116 using the prospective cash discounting approach, under which the cumulative effect of initial application is recognized in

(Amount in INR Lakhs)

| Particulars | New Lease (Amount) | |
|-----------------------------------------------------|--------------------|--------------|
| Lease commitments as at 31 March 2023 | | 152.18 |
| Add/(less): contracts reassessed as lease contracts | | (99.66) |
| Lease liabilities as on 1 April 2024 | | 52.52 |
| Current Lease Liabilities | | 52.52 |
| Non Current Lease Liabilities | | - |

Right of use assets of Rs.282.94 Lakhs and lease liabilities of Rs.273.94 Lakhs have been recognised for the new lease as on 1 November 2021.

As a Lessee

Carrying value of right of use assets at the end of the reporting period by class

(Amount in INR Lakhs)

| Particulars | Premises | Total |
|----------------------------------|----------|--------|
| Balance at 31 March 2023 | 149.35 | 149.35 |
| Depreciation charge for the year | 94.32 | 94.32 |
| Balance at 31 March 2024 | 55.04 | 55.04 |

Maturity analysis of lease liabilities

| Maturity analysis –contractual undiscounted cash flows | As on 31st March 2024 | As on 31st March 2023 |
|--------------------------------------------------------------------------|-----------------------|-----------------------|
| Less than one year | 52.52 | 108.00 |
| One to five years | - | - |
| More than five years | - | - |
| Total undiscounted lease liabilities | 52.52 | 108.00 |
| Lease liabilities included in the statement of financial position | 52.52 | 108.00 |
| Current | 52.52 | 108.00 |
| Non Current | - | - |

Amounts recognised in profit or loss

(Amount in INR Lakhs)

| Particulars | As on 31st March 2024 | As on 31st March 2023 |
|--------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Interest on lease liabilities | | 19.07 |
| Depreciation on ROU | 94.32 | 94.32 |
| Expenses relating to short-term leases | | |
| Expenses relating to leases of low-value assets, excluding short-term leases of low value assets | | |

Amounts recognised in the statement of cash flows

(Amount in INR Lakhs)

| Particulars | As on 31st March 2024 | As on 31st March 2023 |
|-------------------------------|-----------------------|-----------------------|
| Total cash outflow for leases | 108 | 108 |

40. Revenue from Operation**A Disaggregated revenue information**

The table below presents disaggregated revenue from contact with customers for the year ended March 2024 and March 2023. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors

| Particulars | (Amount in INR Lakhs) | |
|------------------------------------------------------------------------|--------------------------------|--------------------------------|
| | For the Year Ended 31 Mar 2024 | For the Year Ended 31 Mar 2023 |
| Revenue from contracts with customers disaggregated based on geography | | |
| a. Domestic | 2,204.00 | 1,816.16 |
| b. Exports | 306.15 | 23.71 |
| Total Revenue from Operation | 2,510.14 | 1,839.87 |

B Reconciliation of Gross Revenue from Contracts With Customer

| | | |
|-------------------------------------------------------------|-----------------|-----------------|
| Gross Revenue | 2,510.14 | 1,839.87 |
| Less: Discount | - | - |
| Net Revenue recognised from Contracts with Customers | 2,510.14 | 1,839.87 |

Notes:

B1 The amounts receivable from customers become due after expiry of credit period which on an average is less than 60 to 90 days. There is no significant financing component in any transaction with the customers.

B2 The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

| Ratios | Numerator | Denominator | Year ended | Year ended | % Variance between (1) and (2) |
|------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------------------|-------------------|-----------------|-----------------------------------|
| | | | 31-03-24 (1) | 31-03-23 (1) | |
| Pursuant to the amendments to Schedule III vide MCA circular dated March 23, 2021, the following ratios are presented: | | | | | |
| Current ratio | Current Assets | Current Liabilities | 15.04% | 25.96% | -42.05% |
| Debt equity ratio | Total debt | Shareholders equity | 302.92% | 359.55% | -15.75% |
| Debt service coverage ratio | Earnings available for debt service (EBITDA) | Debt service | 0.00% | 0.00% | #DIV/o! |
| Return on equity ratio | Profit after tax | Average shareholders equity | 0.00% | 0.00% | #DIV/o! |
| Inventory turnover ratio | Cost of goods sold | Average inventory | 139.87% | 26.79% | 422.10% |
| Trade receivables turnover ratio in months | Operating sales | Average trade receivables | 125961.45% | 34.49% | 365089.21% |
| Trade payables turnover ratio | Operating purchases | Average trade payables | 1787.78% | 213.96% - | 735.55% |
| Net capital turnover ratio | Operating sales | Average working capital | 125966.76% | -6.01% | -2096264.01% |
| Net profit ratio | Profit after tax | Operating sales | 0.00% | 0.00% | #DIV/o! |
| Return on capital employed ratio | Earnings before interest and taxes | Capital employed (Shareholders equity + total debt - deferred tax asset) | 0.00% | 0.00% | #DIV/o! |
| Return on investment ratio | Investment income | Average investments | 7.64% | 23.50% - | -67.48% |

ADDITIONAL NOTES TO ACCOUNTS

- (a) The Company has not traded or invested in crypto currency or virtual currency during the current period.
- (b) The Company is not required to spend any amount in terms of provisions of section 135 of the Companies, Act 2013 on Corporate Social Responsibility.
- (d) There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies, Act 2013.
- (e) No proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- (f) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (g) 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:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (h) The Company has no 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).
- (i) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (j) The Company has not declared/ paid any interim/final dividend during the year.