



# Annual Report

2023 - 2024



# CORPORATE INFORMATION

## BOARD OF DIRECTORS:

NAME	DIN
Mr. Neeraj Kumar Aggarwal (Chairperson and Managing Director)	08058134
Ms. Shilpy Aggarwal (Whole-Time Director)	08058135
Mr. Kanav Gupta (Whole-Time Director & CFO)	06802701
MS. Arti Arora (Independent Non- Executive Director)	09573758
MS. Dhikash (Independent Non- Executive Director)	07678926
MS. Rajesh Gupta (Independent Non- Executive Director)	03430497

## KEY MANAGERIAL PERSONNEL:

NAME
Mr. Kanav Gupta (Chief Financial Officer)
Ms. Bhagyashree Periwal (Compliance Officer and Company Secretary)

## REGISTERED OFFICE:

P. No. 468, Ground Floor, Industrial Area, Patparganj, Delhi – 110 092

## STATUTORY AUDITOR:

M/s Gautam Sehgal & Co., Chartered Accountants  
Office - 399, 1st Floor, Chandni Chowk, (Outside Katra Naya), Delhi – 110006

## REGISTRAR AND TRANSFER AGENT:

Bigshare Services Private Limited  
Office at S6-2, 6th Pinnacle Business Park, Mahakali Caves Road,  
Next to Ahura Centre, Andheri East, Maharashtra – 400093, Maharashtra, India

## BANKERS:

HDFC Bank Limited



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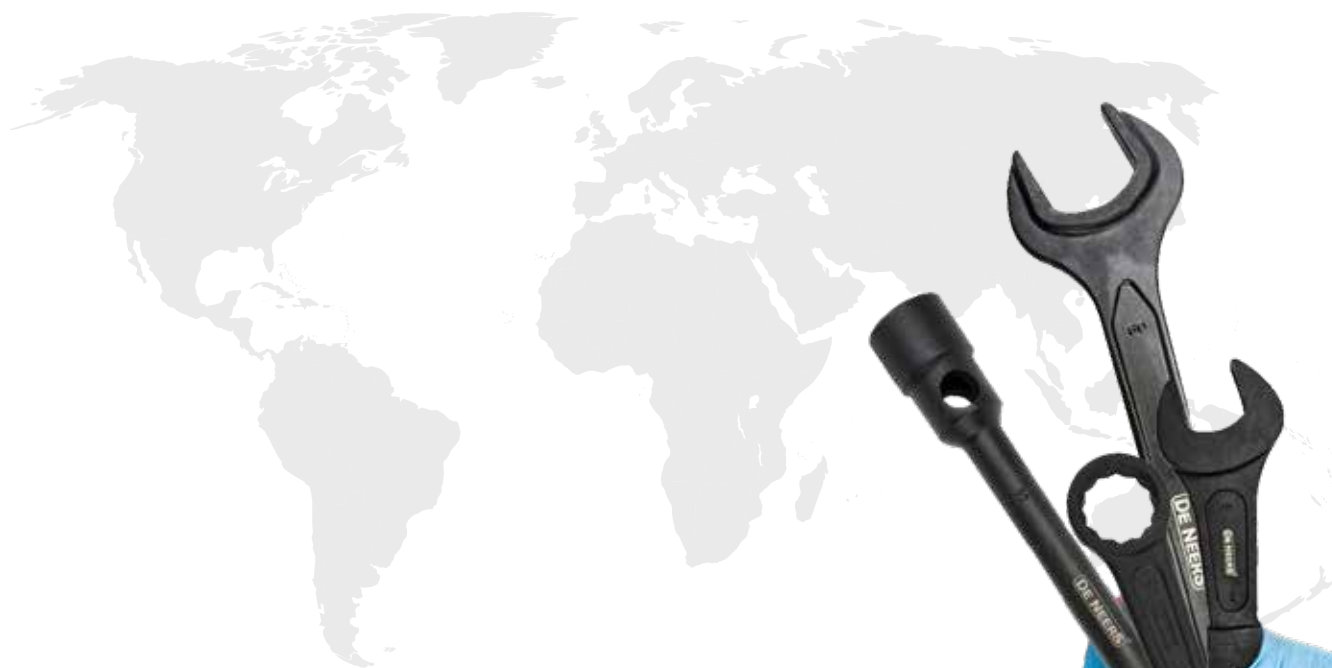
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# VISION 2030 :

## Forging Our Path to Excellence

As we look ahead, our strategic initiatives are designed to achieve the following objectives :

### Revenue Growth

**25%** CAGR YoY

### Working capital optimization

Reducing working capital cycle to **3 months**

### Global Penetration

**15%** revenue share from Exports

**DE NEERS**<sup>®</sup>  
*Revolution in Hand Tools*

### OEM Alliance

Become **approved vendor** for major automotive giants in India

### Profit Margins

**100 bps** YoY Improvement in EBITDA margin

### Brand Recognition

To establish our brand as a **recognized industry leader** and work towards becoming a **household name**.

# Message from our **MANAGING DIRECTOR**

**Dear Valued Shareholders,**

Financial Year 2023-24 has been a transformative year for De Neers Tools, marked by overall growth, strategic achievements and commitment to creating stakeholder value. An important step in our journey was our listing on the SME platform of the National Stock Exchange of India (NSE). This listing reflects the support of our investors and provides us with potential opportunities for accessing capital to support our growth.

Our strategic focus on brand building has yielded impressive results. Substantial investments in our brand have strengthened our market position and expanded our dealer network to around 300. Strengthening our dealer relations, we launched 'प्राारम्भ' (Praarambh), an initiative to recognize and reward the excellence of our invaluable dealer partners.

In our efforts to enhance brand visibility and market reach, De Neers Tools participated in more than 10 industry exhibitions throughout the year. A highlight of these engagements was our presence at the world's largest hardware trade fair – "EISENWARENMESSE" – in Cologne, Germany. This international platform provided us with valuable exposure to the global market.

These exhibitions offered us an excellent opportunity to showcase our diverse product range to a wider audience and also enabled us to gather crucial market insights, helping us refine our strategies and product offerings.

A key growth driver for us has been the formation of strategic OEM partnerships with industry leaders such as Apollo Pipes, Havells, Polycab Cables, VE Commercial Vehicles, ATS ELGI, and JBM Auto. These collaborations have not only expanded our market reach but have also cemented our position as a preferred supplier of premium hand tools. Our international expansion has gained significant momentum with the establishment of our subsidiary DENEERS TOOLS TRADING LLC in Dubai, strategically positioning us to capitalize on the immense potential of the Middle Eastern market.

Financially, we delivered a strong performance with revenue growth of around 16% YoY to INR 109.80 crore and around 23% YoY increase in Net profit (PAT) to INR 8.66 crore.

We remained committed to our corporate social responsibility, with initiatives in education and sports, marking our dedication towards societal impact. Looking ahead, we are optimistic about De Neers Tools. The Indian hand tools market is poised for significant growth, driven by increasing infrastructure spending and rising consumer demand. Our strategic initiatives and strong financial foundation position us well to capitalize on these opportunities and further consolidate our market leadership.

I extend my heartfelt gratitude to our employees, customers, dealers, and shareholders for their continued support and trust in De Neers Tools. Together, we will continue to forge the path of sustainable growth and prosperity.

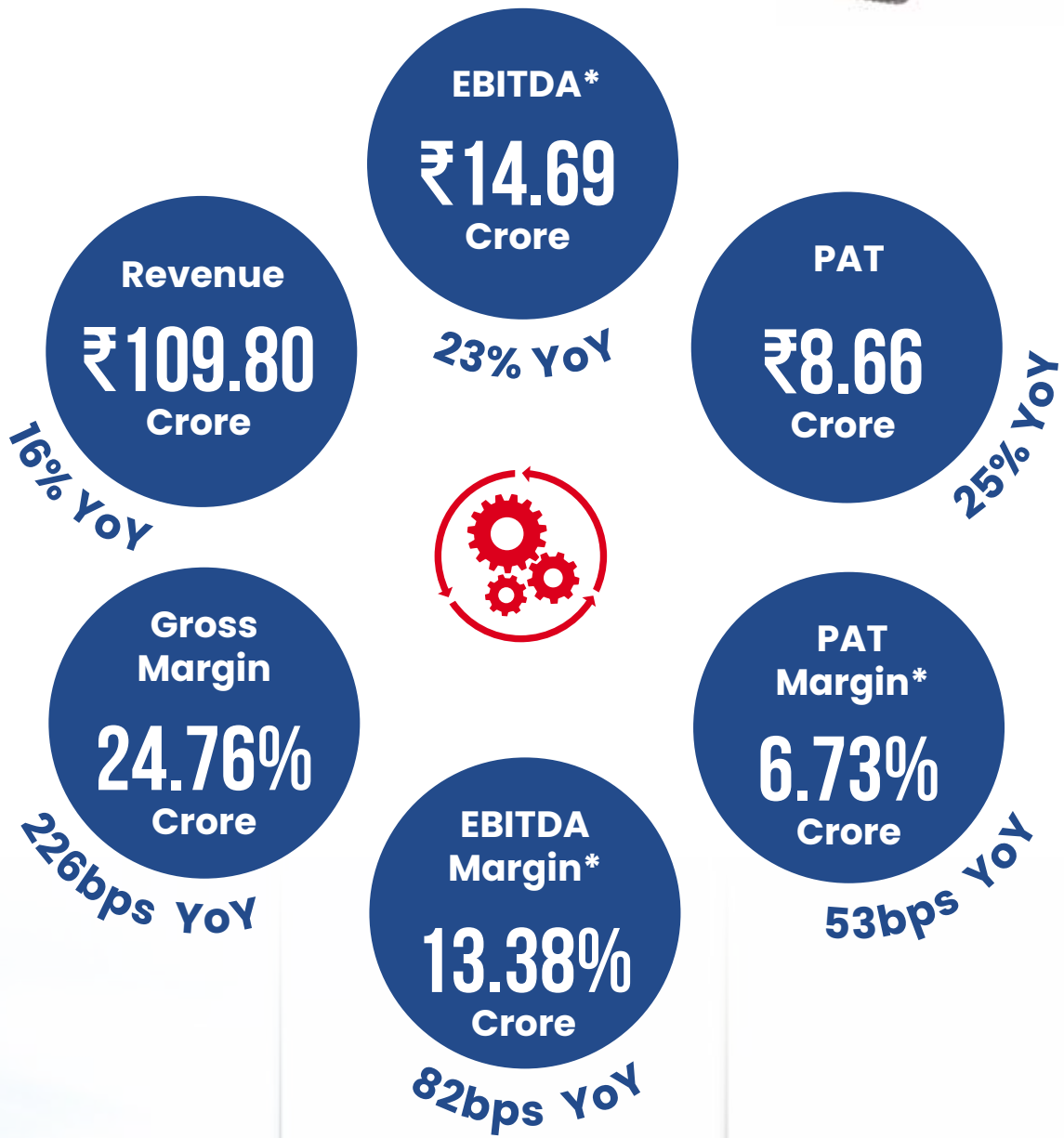
Sincerely,



**Mr. Neeraj Kumar Aggarwal**  
**Managing Director, De Neers Tools Ltd.**

# FY24 HIGHLIGHTS :

Performance at a Glance

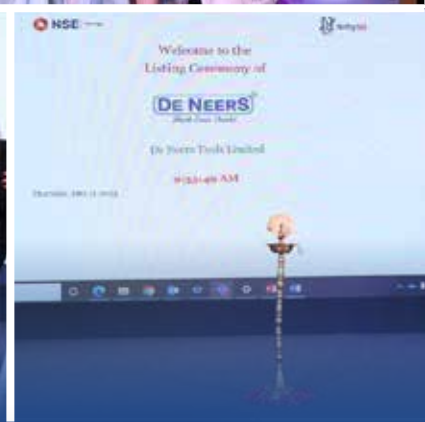


Gross Margin is computed using operating revenue less stock-in-trade sold during the year  
\*To evaluate core operations, EBITDA and PAT margins exclude non-operating income



# CAPTURING THE YEAR : Events, Awards & Celebrations

## Milestone Moment : Celebrating Our NSE Listing



## Applauding our Stars : Dealer Reward & Recognition Meet





# Our Year at Business Exhibitions



## Your Monthly Insight "DeNeers Dispatch"

**DE NEERS**  
*Revolution in Hand Tools*

**DE NEERS TOOLS LIMITED**

MONTHLY NEWSLETTER

**DENEERS DISPATCH: INSIGHTS & STRATEGIC STRIDES**

JUNE 2024 EDITION

Dear Shareholders,

We're pleased to present this month's DeNeers Dispatch – our monthly newsletter, highlighting our recent achievements and strategic developments. Our commitment to growth and value creation remains steadfast as we expand our reach and strengthen our market position.

**WARRANTY**  
**12 MONTHS**

**WE'VE GOT YOUR BACK!!**  
We provide 12 months warranty on our products.

**Global Footprint Expansion: Dubai Showroom Launch**

We're excited to announce the imminent launch of our showroom and experience center in Dubai, UAE. Set to open mid-July, this strategic expansion of our warehouse sales and operations hub will enhance our presence in the Middle East market, potentially driving new revenue streams and increasing brand visibility.

**Industry Engagement: Showcasing at Key Exhibitions**

DeNeers Tools Limited recently participated in two significant industry events:

- Inter2024 in Coimbatore
- Indomach2024 in Hyderabad

These exhibitions provided valuable platforms to showcase our product line, engage with industry professionals, and explore potential business opportunities. Our participation underscores our commitment to staying at the forefront of industry trends and customer needs.

**Strategic Partnership: JBM Auto Approval Secured**

We're pleased to report that our company has secured approval from JBM Auto, a significant player in the automotive sector. This partnership approval paves the way for potential long-term collaborations and opens new avenues for growth in the automotive tools market.

**Immediate Impact - First Purchase Order from JBM Auto:** Following the partnership approval, we're delighted to announce the receipt of our first purchase order from JBM Auto. This swift progression from approval to order demonstrates the immediate value recognition of our products and bodes well for future business prospects with JBM Auto.

For any inquiries or additional information, kindly visit our website to contact our Investor Relations team.

We appreciate your continued interest in De Neers Tools Limited. We look forward to updating you on our progress in the upcoming month.

Sincerely,  
De Neers Tools Limited

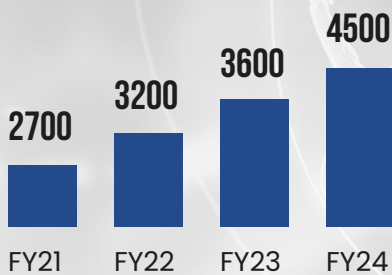


# OUR EXPANSION STORY

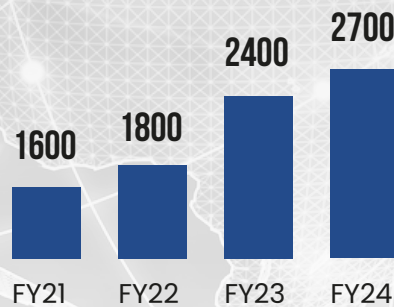
# ~5,00,00,000

This is the number of hand-tool units that we have sold during FY24. With our industry size of around INR 10,000 crore and the emerging trend for DIY (Do it Yourself!) culture in India, we envision to become a household name in coming years.

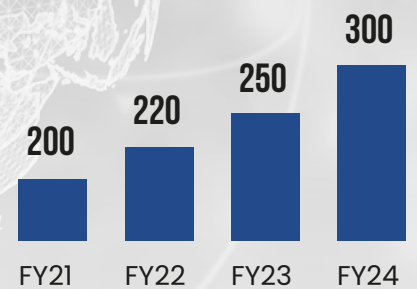
## Number of SKUs



## Number of Cities Covered (PAN India)



## Number of Dealers



# SHAPING OUR IMAGE :

## Key Branding Initiatives

Driven by our commitment to long-term growth and value creation, we have intensified our focus on brand building strategies. We are pleased to report a significant increase in our brand investments, with expenditure reaching **₹ 3.1 crore**, marking a substantial **71% year-over-year growth**.

Brand Investment Outlay

# ₹ 3.1 CRORE

+71% YoY



Our increased outlay in brand-building activities reflects our commitment to enhancing our market position and brand equity. Key initiatives include:

## 1. Business Exhibition Participation:

We have expanded our presence at industry-leading exhibitions, showcasing our innovative product range and engaging directly with potential clients and partners. In FY24, we exhibited in 10+ exhibitions. The most remarkable being, the world's largest trade fair for the hardware industry i.e. **"EISENWARENMESSE - International Hardware Fair" of Cologne.**



## 2. Reward & Recognition Initiatives:

We have instituted comprehensive incentive programs to acknowledge and promote excellence across our distributor and dealer network. These initiatives are designed to strengthen relationships throughout our value chain. A prime example is our recently launched dealer reward and recognition program, "प्रारम्भ" (Praarambh). This program exemplifies our commitment to celebrating and rewarding the contributions of our invaluable supply chain partners.



By recognizing their efforts, we not only boost their morale but also align our partners more closely with De Neers Tools' vision and goals and hence fostering a more cohesive and motivated distribution network.



### 3. Strategic Discounting Policies:

Our carefully crafted discounting strategies have been designed to drive sales volume while maintaining brand value, striking a balance between market penetration and premium positioning.



# DE NEERS WARRANTY



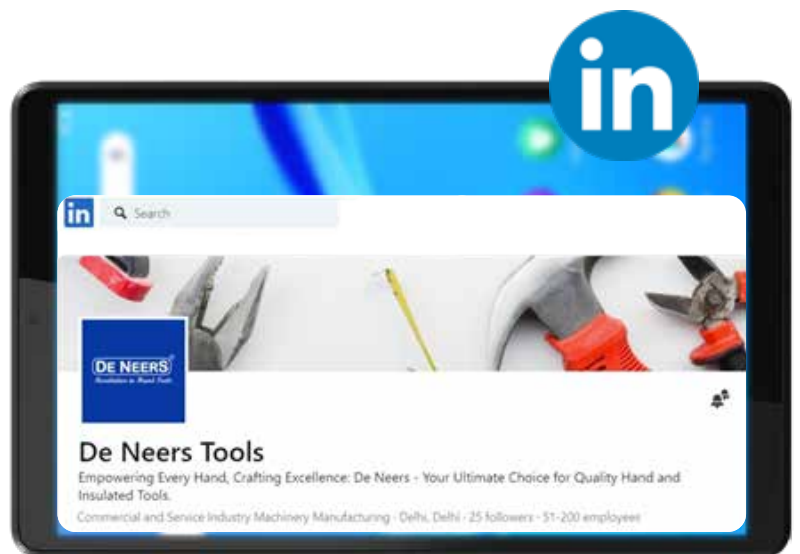
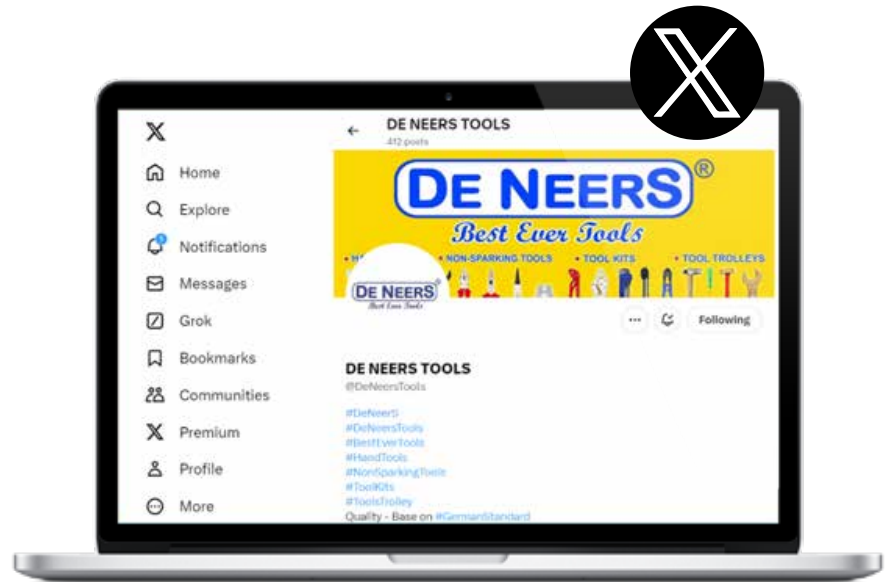
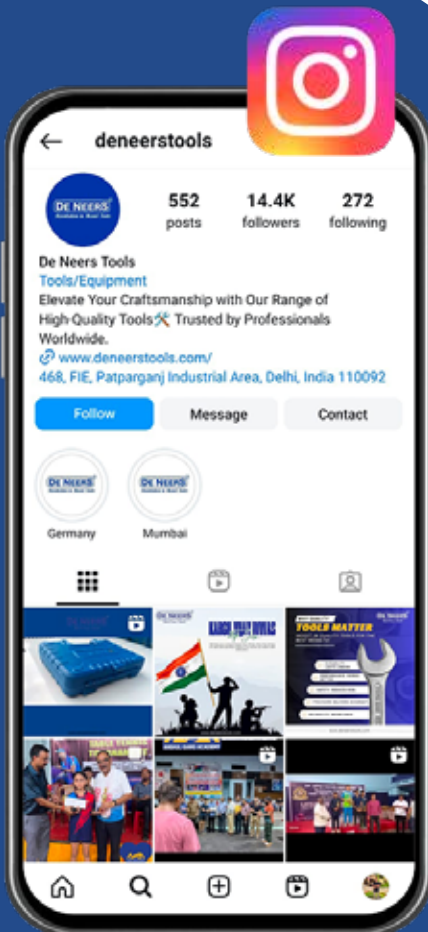
### Quality Assurance:

At De Neers Tools, we demonstrate our confidence in product excellence through our industry-leading 12-month no questions asked replacement warranty.

This streamlined policy allows for effortless tool replacement through authorized dealers, minimizing inconvenience. This commitment reflects our dedication to quality & customer satisfaction, ensuring a positive ownership experience.

# 4. Leveraging Digital Age

We are also working on digital marketing strategies to elevate our brand presence and foster connections with our audience. We curate engaging content across key social media platforms, fostering brand awareness and hence transforming our brand into a relatable personality. By incorporating current events and industry insights, we position De Neers as a contemporary and responsive brand.



# Tangible Outcomes

These concerted efforts have yielded measurable benefits :

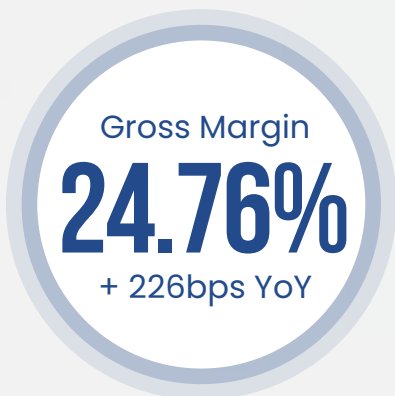
## Rising Dealer Network:

Our amplified brand presence has significantly boosted brand image and preference among our target audience. As a result, our dealer base has surged to around 300, up 20% YoY.



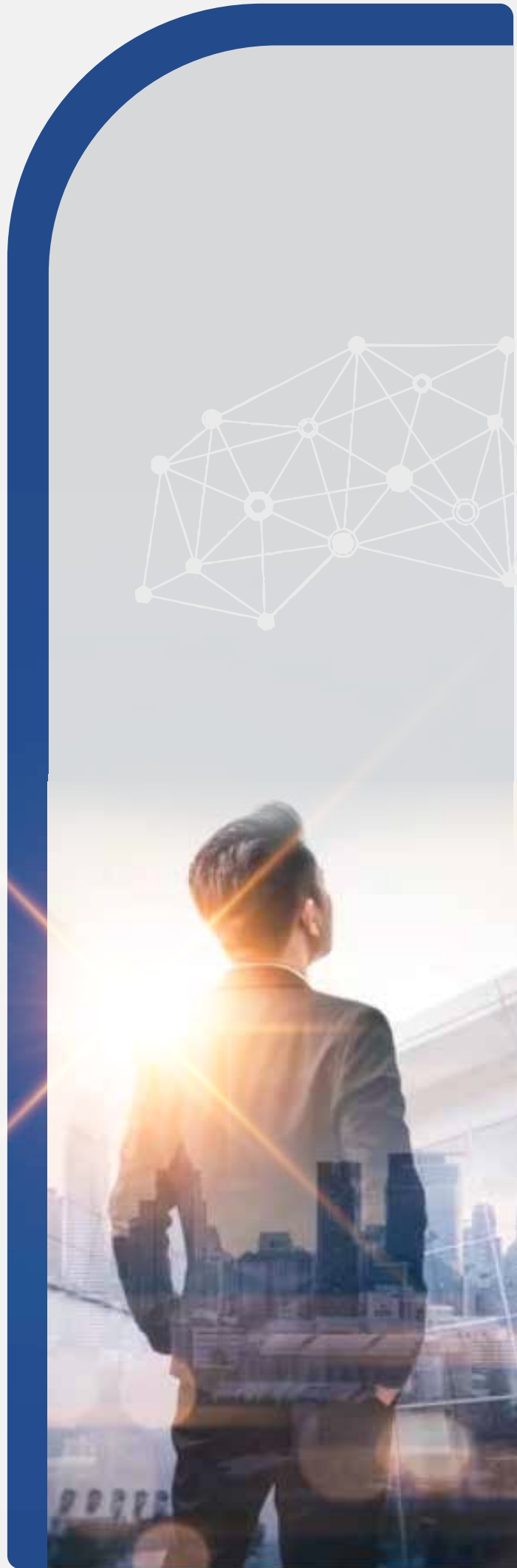
## Premium Pricing Power:

The strengthened brand position has enabled us to command premium prices for our high-quality tools, contributing to margin expansion.



## Looking Ahead

As we move forward, De Neers Tools remains committed to strategic brand investments. We believe this approach will continue to drive sustainable growth, enhance our competitive position, and create long-term value for all our stakeholders.





# STRATEGIC OEM ALLIANCES:

## Driving Growth & Market Expansion

We are proud to highlight our significant strides in our strategic partnership initiatives, aligning with industry-leading brands across multiple sectors. These collaborations not only expand our market reach but also reinforce our position as a preferred supplier of premium hand tools in India.



## Strategic Alliances with Major Indian Companies

We have successfully partnered with several prominent Indian companies, focusing on Original Equipment Manufacturers (OEMs) in various industries:

**Infrastructure:**  
Apollo Pipes



**Electrical Equipment:**  
Havells & Polycab Cables



**Automotive:**  
VE Commercial Vehicles,  
ATS ELGI & JBM Auto



# POTENTIAL ADVANTAGES



## Enhanced Market Position:

These partnerships solidify our reputation as a trusted supplier to major brands, elevating our market standing.



## Diversified Portfolio:

By collaborating with OEMs across multiple industries, we're reducing sector-specific risks and expanding our market presence.



## Quality Affirmation:

The trust placed in us by industry giants reaffirms our commitment to quality excellence and boosts our credibility in the market.



## Sustainable Growth:

These partnerships provide a stable foundation for sustained revenue growth and market expansion.



## Innovation Driver:

Collaborating with diverse industry leaders will fuel our product innovation, ensuring our tools meet evolving industry needs.



## Brand Visibility:

Our presence in the toolkits of major brands significantly enhances our brand visibility and recognition among end-users.

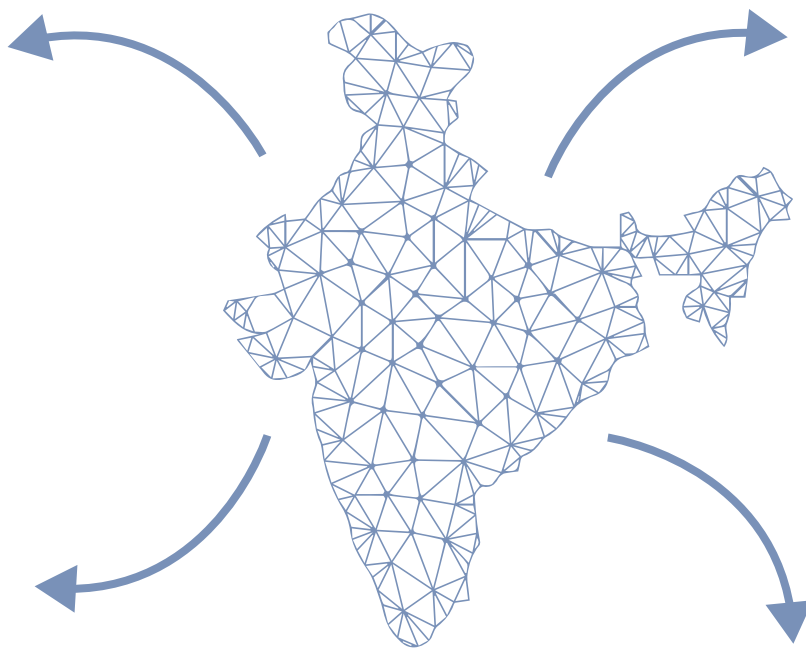
# GOING GLOBAL:

## Expanding Our Brand Worldwide

Our company is embarking on an ambitious journey to establish a formidable global presence and achieve international brand recognition. Our strategic initiatives in this direction are multifaceted and designed to position us as a prominent player in the global hand tools market.

### 1. Export Promotion Council of India (EPCI) Registration

To boost our global trade capabilities and market presence, we have secured registration with the Export Promotion Council of India (EPCI). This registration is expected to facilitate smoother international trade operations and provide access to valuable export-related resources and networks.





## 2. International Exhibitions

We recently showcased our products at the EISENWARENMESSE – International Hardware Fair in Cologne, Germany. This participation marks a significant milestone in our global expansion strategy. Some key highlights are presented below:



- **World's Largest Hardware Trade Fair:**

The event, featuring over 3,200 exhibitors, provided an unparalleled platform for global visibility.

- **Competitive Positioning:** Our products were showcased alongside major international brands like Milwaukee, Gihdue, Knipex, Wiha, etc. affirming our competitive standing in the global market.

- **Promising Feedback:** The event yielded encouraging responses, paving the way for potential export opportunities and strengthening our international market reach.



**INTERNATIONALE  
EISENWARENMESSE  
KÖLN**



### 3. Middle East Expansion

Recognizing the Middle East as a hub for oil refineries and a significant market for hand tools, we have taken decisive steps to establish our presence in this region:



#### Dubai Subsidiary

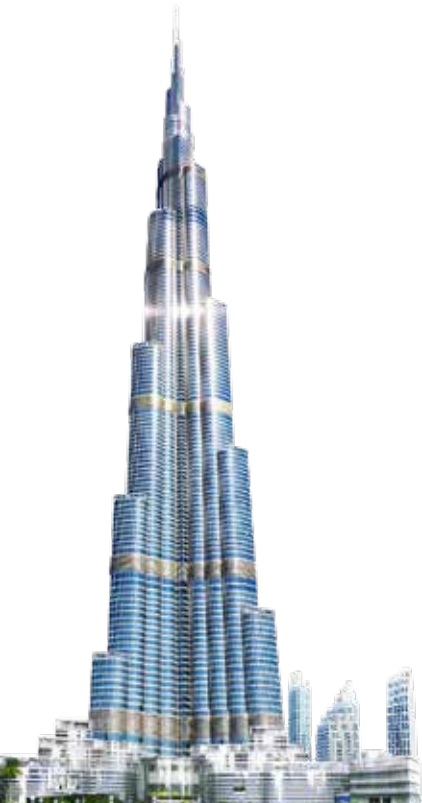
We have recently incorporated our Wholly Owned Subsidiary, DENEERS TOOLS TRADING LLC, in Dubai, underlining our commitment to this export segment.

#### Experience Center & Warehouse

A key component of our expansion strategy is the establishment of our latest experience center and warehouse facility in Dubai. This dual-purpose setup is designed to significantly enhance our operational capabilities and market presence:

**Experience Center** This showcase facility will allow potential clients and partners to interact firsthand with our extensive range of tools, experiencing their quality and ergonomics. This experience center would enable us to demonstrate our product features directly to the potential customers in the region.

**Warehouse** The strategically located warehouse would help optimize our supply chain in the Middle East. This would enable us to maintain adequate inventory levels, ensuring prompt deliveries and efficient after-sales service. This local presence would significantly reduce our lead times and enhance our responsiveness to market demands.



This strategic cross-border expansion of our sales and operations hub is poised to enhance our presence in the Middle East market. By bringing our products closer to our customers abroad and offering an immersive brand experience, we anticipate driving new revenue streams and increasing our brand visibility across the region.



# Commitment to Corporate **SOCIAL RESPONSIBILITY**

At De Neers Tools, we firmly believe that our success as a business is intrinsically linked to the well-being of the communities we serve. Our dedication to Corporate Social Responsibility (CSR) is not just a corporate initiative, but a core value that drives our operations and long-term strategy.

## Recent Achievements and Initiatives



**CSR Excellence Award 2024:** We are honored to have been recognized with the prestigious CSR Excellence Award-2024. This marks our commitment to making a positive impact on society and validates our ongoing efforts in this crucial area.



**Supporting Education in Rural India:** In line with our focus on educational empowerment, we recently contributed 150 benches to a school in Himachal Pradesh. This initiative aims to improve the learning environment for students in rural areas, demonstrating our belief in education as a catalyst for social progress.



**Empowering Aspiring Athletes:** We have also initiated partnering with sports academies to support less privileged sports talents. This collaboration involves sponsoring promising athletes, aiming to create more equitable opportunities in sports and foster inclusivity. Such partnerships reflect our commitment to nurturing talent regardless of background or circumstances.

## Vision for the Future

As we continue to grow, our ambition is to emerge as a leading brand that excels not only in serving industry but also in contributing meaningfully to society. We are committed to

- Expanding our CSR footprint to reach more communities and address a wider range of social issues.
- Aligning our CSR initiatives with global sustainability goals.
- Continuously innovating in our approach to social responsibility, ensuring maximum impact.





## **NOTICE OF 03<sup>RD</sup> ANNUAL GENERAL MEETING (AGM)**

Notice is hereby given that the Third (3<sup>rd</sup>) Annual General Meeting (AGM) of the members of the “De Neers Tools Limited” will be held on Monday 30<sup>th</sup> September 2024 at 12:00 P.M. (IST) through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following business:

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### **ORDINARY BUSINESS:**

#### **Item 1: Adoption of Financial Statements for the Financial Year ended March 31, 2024:**

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

*“RESOLVED THAT the Standalone Audited Financial Statements i.e. Balance Sheet, Profit and Loss Account, Cash Flow Statement and notes forming part thereof together with the reports of Board of Directors and Auditors thereon for the year ended March 31, 2024 as circulated to the members and laid before the meeting be and are hereby considered and adopted.”*

#### **Item 2: Appoint of a Director in place of Mrs. Shilpy Aggarwal (DIN: 08058135), who retires by rotation, and being eligible, offers herself for re-appointment.**

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

*“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or any amendment(s) thereto or any substitution(s) or any re-enactment(s) made thereof, for the time being in force), if any, Mrs. Shilpy Aggarwal (DIN – 08058135) who retires by rotation at this Annual General Meeting and being eligible has offered herself for the reappointment, be and is hereby appointed as Director of the Company, liable to retire by Rotation.”*

**For and on behalf of**  
**De Neers Tools Limited**  
Sd/-  
**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134

**Date:** 07.09.2024

**Place:** Delhi

### **NOTES:**

1. In view of General Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, and Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (“MCA Circulars”), Circular No. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR /P/2021/11 dated January 15, 2021, Circular SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, Circular SEBI/HO/ CFD/PoD-2/ P/CIR/2023/4 dated January 05, 2023, and Circular No. SEBI/HO/CFD/CFDPoD2/P/CIR/2023/167 dated October 07, 2023 issued by the Securities and Exchange Board of India (“SEBI Circulars”) and in compliance with the provisions of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations/SEBI Listing Regulations”), the 3rd Annual General Meeting (‘3rd AGM/ the AGM’) of the Company is being conducted through VC/ OAVM Facility, which does not require the physical presence of members at a common venue.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended, and MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited(‘CDSL’) for facilitating voting through electronic means, as the authorised e-Voting’s agency. The facility of casting votes by a member using remote e-voting, participation in the AGM through VC/OAVM and the e-voting system on the date of the AGM will be provided by CDSL.
3. Pursuant to MCA Circular No.14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, and Circular No. 02/2022 dated May 05, 2022, General Circular No. 10/2022 dated December 28, 2022, and General Circular No. 09/2023 dated September 25, 2023, as the AGM shall be conducted through VC/OAVM, the facility for appointment of proxy by the members to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip including Route map are not annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporate member/institutional members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate and cast their votes through e-voting. Accordingly, Institutional / Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at [compliance@deneerstools.com](mailto:compliance@deneerstools.com).
4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Regulation 36 (1)(b) and (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 prescribes that a listed entity shall send a hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 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. However, in line with the MCA General circulars with the latest being No. 10/2022 dated December 28, 2022 and SEBI circulars with the latest being Circular No. SEBI/HO/CFD/CFD-PoD2/P/ CIR/2023/167 dated October 07, 2023, relating to the dispatch of hard copies of the Annual Report for the Financial Year 2023-24, the Notice of AGM is being sent in electronic mode to Members whose names appear on the Register of Members/ List of Beneficial owners as received from Bigshare Services Private Limited (“RTA”) and whose email address is available with the RTA, the Company or the Depository Participant(s) as on Friday, August 30, 2024. Members may note that the Notice and Annual Report 2023-24 can also be accessed from the website of the Company at [www.deneerstools.com](http://www.deneerstools.com) and on the website of the Stock Exchange i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

6. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the AGM, if any and the relevant details of director seeking appointment and re-appointment as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and as required under Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India is annexed thereto.
7. Members holding the shares in physical form are requested to notify immediately any update/change of address and/or details of PAN and Bank account to the RTA, the Registrar and Share Transfer Agent of the Company. In case shares held in dematerialised form, the information regarding change/update of address, details of bank and PAN should be given to their respective Depository Participant.
8. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
9. Shareholders can avail the facility of nomination in respect of shares held by them in physical form, pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules framed thereunder. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA. Members holding in electronic form may contact their respective Depository Participants for availing of this facility.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of a Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to the Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the RTA.
11. The Board of Directors has appointed Ms. Ashita Kaul, of Ashita Kaul & Associates, Company Secretaries, (CP No. 6529) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
12. The Scrutiniser shall submit her report to the Chairman of the Meeting or any person authorised by him within 2 Working days of the conclusion of the AGM. The Results declared along with the report of the Scrutiniser shall be placed on the website of the Company [www.deneerstools.com](http://www.deneerstools.com) and on the website of CDSL immediately after the



declaration of results by the Chairman or person authorised by him on this behalf. The Company shall simultaneously forward the results to NSE, where the shares of the Company are listed.

13. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Tuesday, September 24, 2024 ("**Cut-off date**"), are entitled to avail of the facility of remote e-voting as well as e-voting system as of the date of the AGM. Any recipient of the Notice, who has no voting rights as of the Cut-off date, shall treat this Notice as intimation only.
14. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. Tuesday, September 24, 2024 shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned below.
15. The remote e-voting period will commence at 9.00 a.m. on Thursday, September 26, 2024 and will end at 5.00 p.m. on Sunday, September 29, 2024. In addition, the Members attending the AGM who have not cast their vote by remote e-voting shall be eligible for e-voting at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
16. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, and all other documents referred to in the Annual Report, will be available. Members can inspect the same by sending an email to [www.deneerstools.com](http://www.deneerstools.com).
17. Members who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses with Bigshare Services Private Limited at [info@bigshareonline.com](mailto:info@bigshareonline.com).
18. The Register of Members and Share Transfer Books of the Company will be closed from 24<sup>th</sup> September 2024 Tuesday to 30<sup>th</sup> September 2024 Monday (both days inclusive) for the purpose of AGM.

## THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-

Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.deneerstools.com](http://www.deneerstools.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30<sup>th</sup> September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

**Step-1** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step-2** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Thursday 26<sup>th</sup> September 2024 at 09:00 AM** and ends on **Sunday, 29<sup>th</sup> September 2024 at 05:00 PM**. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Tuesday, 24<sup>th</sup> September 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.

**Step-1 Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (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 and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>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 users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>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 or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting</li> </ol>



	<p>service providers' website directly.</p> <ol style="list-style-type: none"> <li>3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 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 or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 or joining virtual meeting &amp; voting during the meeting</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through</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</p>

<b>their Depository Participants (DP)</b>	e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) 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.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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; [compliance@deneerstools.com](mailto:compliance@deneerstools.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.

## INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 12 days prior to the

meeting mentioning their name, demat account number/folio number, email id, mobile number at [compliance@deneerstools.com](mailto:compliance@deneerstools.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **12 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [compliance@deneerstools.com](mailto:compliance@deneerstools.com). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

### 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 [compliance@deneerstools.com](mailto:compliance@deneerstools.com) and/or [investor@bigshareonline.com](mailto:investor@bigshareonline.com).
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 & joining virtual meetings through Depository.

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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911.

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](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.



**For and on behalf of  
De Neers Tools Limited**

**Date:** 07.09.2024

**Place:** Delhi

**Sd/-**  
**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134



## **EXPLANATORY STATEMENT**

**The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the business mentioned in the accompanying Notice.**

**Item No. 2:**

Pursuant to the provision of section 152 of the Companies Act 2013, Mrs. Shilpy Aggarwal (DIN: 08058135) being a Whole-time Director is liable to retire by rotation at this meeting and being eligible, has offered herself for re-appointment as Director of the Company. The Board of Directors recommends this resolution as set out in Item No. 02 of this notice for approval of the members by **Ordinary Resolution**.

Except Mr. Kanav Gupta, Mr. Neeraj Kumar Aggarwal and Mrs. Shilpy Aggarwal and/or relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

## DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

(In pursuance of Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard – 2 on General Meetings)

<b>Name of the Director</b>	Mrs. Shilpy Aggarwal
<b>DIN</b>	08058135
<b>Nationality</b>	Indian
<b>Category of Director</b>	Whole-time Director
<b>Date of Birth &amp; Age</b>	August 30, 1976
<b>Date of Appointment on the Board</b>	26/07/2021
<b>Qualifications</b>	Graduate
<b>Expertise in Specific Functional Area</b>	Marketing and Human Resources domain.
<b>Experience</b>	Mrs. Shilpy Aggarwal, aged 46 years, is the promoter and Co-Founder of our company. She has pursued her graduation from Anwar-ul-loom College, Hyderabad. She has experience of more than 10 years, she is now looking after Marketing and Human Resources.
<b>Shareholding in the company</b>	17,30,700
<b>Relationship with other directors, manager and other Key Managerial Personnel of the Company</b>	Wife of the Managing Director Mr. Neeraj Kumar Aggarwal. Aunt of Whole-Time Director and CFO Mr. Kanav Gupta.
<b>Board Membership of other listed Companies</b>	NA
<b>Chairmanships/Memberships of the Committees of other public limited companies</b>	NA
<b>Shareholding in the listed entity, including shareholding as a beneficial owner</b>	NA

## DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure in presenting the 3<sup>rd</sup> Annual Report of your company along with the Audited Financial Statements for the Financial Year ended on March 31 2024. Further, in compliance with the Companies Act, 2013 the company has made all requisite disclosures in the Board Report with the objective of accountability and transparency in its operations and to make you aware about its performance and future perspective.

### SUMMARY OF FINANCIAL PERFORMANCE

The Company's financial performance, for the period ended 31<sup>st</sup> March 2024, is summarized below:

(Figures in Rs.)

Particulars	Standalone Financial Year 2023-24 (FY 2024)	Standalone Financial Year 2022-23 (FY 2023)
Revenue from Operations	109,79,75,526.00	95,05,12,763.00
Other Income	1,78,50,058.00	5,34,249.00
<b>Total Revenue</b>	<b>111,58,25,584.00</b>	<b>95,10,47,012.00</b>
<b>Expenses</b>		
Operating expenditure	95,11,02,031.00	83,12,06,612
Depreciation and amortization expense	83,74,542.00	78,29,370
<b>Total expenses</b>	<b>95,94,76,573.00</b>	<b>83,90,35,982</b>
Profit before finance costs, exceptional item and tax	15,63,49,011.00	11,20,11,030.00
Finance costs	3,49,69,178.00	1,93,11,894.00
<b>Profit before exceptional item and tax</b>	<b>12,13,79,833.00</b>	<b>9,26,99,136.00</b>
<b>Exceptional item</b>	-	-
Provision towards legal claim	-	-
<b>Profit/(Loss) before tax</b>	<b>12,13,79,833.00</b>	<b>9,26,99,136.00</b>
Tax Expenses	3,47,99,329.00	2,33,39,602.00
<b>Profit/(Loss) for the year</b>	<b>8,65,80,504.00</b>	<b>6,93,59,534.00</b>
<b>Attributable to:</b>		
Shareholders of the Company	8,65,80,504.00	6,93,59,534.00
Non-controlling interests	NA	NA
<b>Opening balance of retained earnings</b>	<b>7,20,51,362.00</b>	<b>6,57,11,828.00</b>
<b>Closing balance of retained earnings</b>	<b>15,86,11,866.00</b>	<b>7,20,51,362.00</b>
<b>EPS</b>	<b>10.36</b>	<b>10.96</b>

### REVIEW OF OPERATIONS AND STATEMENT OF COMPANY'S AFFAIRS

The Company has been engaged in the business of wholesale trading and import-export of all kinds of hardware tools.

The revenue from operations stands at Rs. 109.79 Crores as against Rs. 95.05 Crores during the last year and the Net profit stands at Rs. 8.65 Crores during the financial year ended 31<sup>st</sup> March 2024 as against Rs. 6.93 Crores, which is an increase of 24.83% from the last year's profit.



## TRANSFER TO GENERAL RESERVES

The Company has earned a good amount of profit during the year and the management has decided to transfer, after all appropriations and adjustments, Rs. 8.65 Crores to the Surplus.

## RECOMMENDATION OF DIVIDEND

Keeping in view of the growth prospects of the company, the Board has not recommended any dividend for the equity shares for the said year. However, as per the terms of issuance and as statutorily required under the provisions of the Act, the company has already made provisions of Rs. 20,000 for payment towards dividends to preference shareholders.

## CHANGES IN THE NATURE OF BUSINESS

During the year under review there was no change in the nature of the business of the company.

## MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company has aligned its current systems of internal financial control with the requirement of the Companies Act, 2013. The Internal Control – Integrated Framework (the 2013 framework) is intended to increase the transparency and account ability in an organization's process of designing and implementing a system of internal control. The framework requires a company to identify and analyze risks and manage appropriate responses. The company has successfully laid down the framework and ensured its effectiveness.

The company's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance with corporate policies. The company has a well-defined delegation of power with authority limits for approving contracts as well as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down. It has continued its efforts to align all its processes and controls with best practices.

Gautam Sehgal & Co., the statutory auditors of the company have audited the financial statements included in this report and have issued an attestation report on the company's internal control over financial reporting (as defined in section 143 of the Companies Act, 2013).

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2023-2024.

## PUBLIC DEPOSITS

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

## LISTING INFORMATION AND STATEMENT PURSUANT TO LISTING AGREEMENT

The Equity Shares of the Company are continued to be listed with NSE EMERGE Platform and in dematerialized form. The Annual Listing fee for the year 2024-25 has been paid.

## AUDITORS

### Statutory Auditor

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and the rules framed thereunder, M/s. Gautam Sehgal & Co., Chartered Accountants (Firm Reg. No. 015736N), were appointed as the first statutory Auditors of the Company by the Board of Directors in its board meeting held on 20<sup>th</sup> August, 2021, till the conclusion of first AGM, since its incorporation at such remuneration as may be mutually agreed.

Further, the Company approved the appointment of M/s. Gautam Sehgal & Co., Chartered Accountants (Firm Reg. No. 015736N), Statutory Auditors, in the first AGM, for period of five financial year, i.e. from the conclusion of the 01<sup>st</sup> (First) Annual General Meeting (AGM) till the conclusion of 06<sup>th</sup> (Sixth) AGM to be held in the financial year 2027.

Thereafter, there has been no change in the Auditors during the period under review.

### Auditor's Report

The Auditor's Report for financial year ended 31<sup>st</sup> March 2024, does not contain any qualification, reservation or adverse remarks. All observations made in the Independent Auditors' Report and notes forming part of the Financial Statements are self-explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year under review.

The Auditor's report is enclosed with the financial statements in this Director's Report.

### Secretarial Auditor

The Company had appointed Ms. Prachi Agarwal (CP No. 25579) as the Secretarial Auditor of the Company for the Financial Year 2023-24 as per the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The report of the auditor is marked as **Annexure-6** of this annual report.

## Internal Auditor

The company had appointed M/s. SSAG & Associates, Chartered Accountants (FRN: 016060N), as the Internal Auditors of the Company for the financial year 2023-24.

## MAINTENANCE OF COST RECORDS

The Directors state that the overall turnover of the company does not exceed the limit prescribed for maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, accordingly such accounts and records are not made and maintained by the Company.

## SHARE CAPITAL

### Authorized Capital

During the year under review, the authorized capital is INR 30,00,00,000/- divided into 1,00,00,000 Equity Shares of INR 10/- each; and 20,00,000 0.01% Preference shares of INR 100/- each.

### Paid-up Capital

As on 31<sup>st</sup> March 2024 the company's Paid-up capital stood as follows:

PARTICULAR	NO OF SHARES AND NOMINAL VALUE PER SHARE	AMOUNT (IN RS.)
Equity Share Capital	86,06,400 @ Rs. 10 each	Rs. 8,60,64,000
Preference Share Capital (0.01% Non-Convertible Redeemable Cumulative Preference Share)	20,00,000 @ Rs. 100 each	Rs. 20,00,00,000
<b>Total</b>		<b>Rs. 28,60,64,000</b>

*During the year the company has made a public offer of 22,76,400 Equity shares and the same was listed on NSE EMERGE Platform.*

## EXTRACT OF THE ANNUAL RETURN

Pursuant to Section 92(3) of the Companies Act, 2013, read with Section 134(3)(a) and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company at [www.deneerstools.com](http://www.deneerstools.com).

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

The particulars as prescribed under sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014, are annexed herewith at "**Annexure-1**".

## DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED.

During the year there has been no significant or material orders passed or ordered.



## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### Directors:

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013 and applicable SEBI Regulations. The company has the following composition of Directors on its Board:

<b>SR. NO.</b>	<b>NAME OF DIRECTOR</b>	<b>DESIGNATION</b>	<b>DIN</b>	<b>DATE OF APPOINTMENT</b>	<b>CATEGORY</b>
1.	Neeraj Kumar Aggarwal	Managing Director	08058134	26/07/2021	Chairperson and Managing Director
2.	Shilpy Aggarwal	Whole-time Director	08058135	26/07/2021	Whole-Time Director
3.	Kanav Gupta	Whole-time Director	06802701	28/07/2021	Whole-Time Director & CFO
4.	Aarti Arora	Independent Director	09573758	06/06/2022	Independent Non-Executive Director
5.	Dhikash	Independent Director	07678926	06/06/2022	Independent Non-Executive Director
6.	Rajesh Gupta	Independent Director	03430497	06/06/2022	Independent Non-Executive Director

Mrs. Shilpy Aggarwal (DIN: 08058135) retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice.

### Chief Financial Officer

During the year under review, there was no change in the CFO and Mr. Kanav Gupta, Whole-Time Director, continued to act as the Chief Financial Officer (CFO) of the company w.e.f. 28<sup>th</sup> July, 2021.

### Company Secretary & Compliance Officer

During the year under review, Ms. Nisha Shaw tendered her resignation from the position of Company Secretary & Compliance Officer of the Company w.e.f. 16<sup>th</sup> May 2023, which was duly taken on record by the Board. The board appointed Ms. Bhagyashree Periwal, as the Company Secretary & Compliance Officer w.e.f. 17<sup>th</sup> May 2023.

## **DECLARATION BY THE INDEPENDENT DIRECTOR**

Every Independent Director, at the first meeting of the Board in which he/ she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under the law and that he / she is not

aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act and are independent of the management

## **PERFORMANCE EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its Committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire Board, excluding the independent director being evaluated.

## **NUMBER OF MEETINGS OF THE BOARD**

During the year the Board of Directors duly met Nineteen times on 24<sup>th</sup> April 2023; 5<sup>th</sup> May 2023; 8<sup>th</sup> May 2023, 10<sup>th</sup> May 2023, 16<sup>th</sup> May 2023, 29<sup>th</sup> May 2023, 17<sup>th</sup> July 2023, 17<sup>th</sup> August 2023; 25<sup>th</sup> August 2023, 04<sup>th</sup> September 2023; 16<sup>th</sup> October 2023; 4<sup>th</sup> November 2023, 8<sup>th</sup> November 2023; 18<sup>th</sup> November 2023, 25<sup>th</sup> November 2023, 08<sup>th</sup> December 2023; 12<sup>th</sup> February 2024, 13<sup>th</sup> March 2024 and 30<sup>th</sup> March 2024.

In respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings did not exceed one hundred and twenty days.

## **COMMITTEES OF THE BOARD AND THEIR MEETINGS**

During the reporting period the company has following Board Committees details of which are as follows:

## (i) Audit Committee:

### Extract of terms of reference:

The Committee is constituted in line with the provisions of Section 177 of the Act.

- a) Oversight of financial reporting process.
- b) Reviewing with the management, the annual financial statements and auditors' report there on before submission to the Board for approval.
- c) Evaluation of internal financial controls and risk management systems.
- d) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.

### Category & Composition:

The committee was duly constituted on 06<sup>th</sup> June, 2022:

Name of Director	Position	Category	Date of appointment
Arti Arora	Chairperson	Independent & Non-Executive	06 June, 2022
Dhikash	Member	Independent & Non-Executive	06 June, 2022
Neeraj Kumar Aggarwal	Member	Managing Director	06 June, 2022

### Meetings:

During the Financial Year under review, five meetings of committee were held on 8<sup>th</sup> May 2023, 29<sup>th</sup> May 2023, 17<sup>th</sup> August 2023, 08<sup>th</sup> November 2023 and 12<sup>th</sup> February 2024.

## (ii) Nomination and Remuneration Committee (NRC):

### Extract of terms of reference:

The Committee is constituted in line with the provisions of Section 178 of the Act.

- a) Recommend to the Board the setup and composition of the Board and its Committees.
- b) Recommend to the Board the appointment/re-appointment of Directors and Key Managerial Personnel(s).
- c) Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- d) Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees.
- e) Oversee familiarization programs for Directors.

### Category & Composition:

The committee was duly constituted on 06<sup>th</sup> June, 2022:

Name of Director	Position	Category	Date of appointment
Arti Arora	Chairperson	Independent & Non-Executive	06 June, 2022



Dhikash	Member	Independent & Non-Executive	06 June, 2022
Rajesh Gupta	Member	Independent & Non-Executive	06 June, 2022

**Meetings:**

During the Financial Year under review, four meeting of committee was held on 16<sup>th</sup> May 2023, 17<sup>th</sup> August 2023, 4<sup>th</sup> December 2023 and 18<sup>th</sup> March 2024.

**(iii) Stakeholders’ Relationship Committee (“SRC”)**

**Extract of terms of reference:**

The Committee is constituted in line with the provisions of Section 178 of the Act.

- a) Consider and resolve the grievances of security holders.
- b) Consider and approve issue of share certificates, transfer and transmission of securities, etc.

**Category & Composition:**

The committee was duly constituted on 06 June, 2022:

Name of Director	Position	Category	Date of appointment
Aarti Arora	Chairperson	Independent & Non-Executive Director	06 June, 2022
Dhikash	Member	Independent & Non-Executive Director	06 June, 2022
Rajesh Gupta	Member	Independent & Non-Executive Director	06 June, 2022

**Meetings:**

During the Financial Year under review, one meeting of committee was held on 18<sup>th</sup> March 2024.

**CORPORATE GOVERNANCE**

Your Company provides utmost importance to best Governance Practices and is designated to act in the best interest of its Stakeholders. Better Governance practice enables the company to introduce more effective internal controls suitable to the changing nature of business operations, improve performance and also provide an opportunity to increase Stakeholders’ understanding of the key activities and policies of the organisation.

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 being a company listed on the SME platform. Since your Company is listed on the SME platform of National Stock Exchange of India Limited, it is not required to file the Corporate Governance Report to the Stock Exchange and hence, it has not provided the Corporate Governance Report as part of this Annual Report.

## **MEETING OF INDEPENDENT DIRECTORS**

Schedule IV of the Companies Act, 2013 and the Rules thereunder mandate that the independent directors of the Company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of the Management.

During the year, the independent directors met once on 20.03.2024. At the meeting, the independent directors discussed, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, succession planning, human resources matters and the performance of the executive members of the Board, and the Chairperson.

The Board is satisfied with the integrity, expertise and experience (including the proficiency) of the independent directors and their contributions towards the enhancement of operations of the Company.

During the year under review, the Independent Directors met on March 20, 2024 inter alia, to:

- a. Review the performance of the Non- Independent Directors and the Board of Directors as a whole.
- b. Review the performance of the Chairperson of the Company, taking into the account of the views of the Executive and Non- Executive Directors.
- c. Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present in the meeting.

## **RISK MANAGEMENT**

The Company has put in place the Risk Management System (“RMS”) as a part of its transformation agenda. RMS incorporates an integrated framework for managing risks and internal controls. The internal financial controls have been documented, embedded and digitised in the business processes. Internal controls are regularly tested for design, implementation and operating effectiveness. RMS is enabled through extensive use of technology to support the risk management processes, ensure the ongoing effectiveness of internal controls in processes, compliance with applicable laws and regulations.

The Compliance Function ensures compliance activities related to the Financial, Operational and People Management Systems of the various group entities. This includes various statutes such as industrial and labour laws, taxation laws, corporate and securities laws, health, safety and environmental laws, etc. The ongoing effectiveness of compliance management activities is reviewed independently by the Group Audit Function.

The combination of independent governance, assurance and oversight structures, combined with automated risk management, controls and compliance monitoring, ensures robustness and integrity of financial reporting, management of internal controls and ensures compliance with statutory laws, regulations and company’s policies. These provide the foundations that enable optimal use and protection of assets, facilitate the accurate and timely compilation of financial statements and management reports.

## ***VIGIL MECHANISM / WHISTLE BLOWER POLICY***

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. The company believes in honesty, integrity, ethics, transparency and good conduct in its professional environment and provides such kind of environment to its employees and directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically.

## ***DIRECTORS' RESPONSIBILITY STATEMENT***

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) They have 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 at the end of the financial year and of the profit of the Company for that period;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis.
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## ***DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES***

During the year under review the Company does not have any Subsidiary/ Joint Venture/ Associate Companies. However, the Board in its board meeting held on 13<sup>th</sup> March 2024, approved the incorporation/establishment of a wholly owned subsidiary in Dubai, United Arab Emirates. The process of establishment is under process and the company doesn't have complete comprehensive details. Hence the requirement to provide details in form AOC-1 doesn't arise.



## PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

During the year under review the company has not given any loan, investment made, guarantees given and security provided under section 186 of the Companies Act, 2013. However, relevant disclosures, if any, are provided in the notes to financial statement.

## HUMAN RESOURCES

The Management has a healthy relationship with the officers and the Employees.

## INVESTOR GRIEVANCES REDRESSAL STATUS

During the Financial Year 2023-24, there were no complaints or queries received from the shareholders of the Company.

## INVESTOR EDUCATION AND PROTECTION FUND

During the year under review the provisions relating to transfer of funds to Investor education and protection fund does not apply to the Company.

## DISQUALIFICATIONS OF DIRECTORS

During the financial year 2023-2024 under review the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified to hold office as per provision of Section 164(2) of the Companies Act, 2013 and debarred from holding the office of a Director pursuant to any order of the SEBI or any such authority in terms of SEBI letter dated 14th June, 2018 and NSE circular dated 20th June 2018 on the subject "Enforcement of SEBI orders regarding appointment of Directors by Listed Companies".

The Directors of the Company have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report has been separately furnished in the Annual Report and forms a part of the Annual Report is annexed as **Annexure-2**.

## PARTICULARS OF EMPLOYEES AND REMUNERATION

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules. **Annexure-3**.

## SEXUAL HARRASEMENT

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") along with the Rules made there under, the

Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace.

The Company has constituted Internal Committee(s) (“ICs”) to redress and resolve any complaints arising under the POSH Act. Training / awareness programs are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

The Company is committed to provide a work environment which ensures that every employee is treated with dignity, respect and afforded equal treatment. No complaint was reported during the year under review.

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year, no such settlement was taking place.

## PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Related party transactions entered during the financial year under review are disclosed in the Financial Statements of the Company for the financial year ended March 31, 2024 as required under Accounting Standard-18. These transactions entered were at an arm’s length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company’s Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the details of contracts and arrangements with related parties is enclosed herewith as **Annexure-4** as per applicable provisions of the Companies Act, 2013.

## CORPORATE SOCIAL RESPONSIBILITY

The company had carried out the CSR activities as mandated by the law. The CSR initiatives undertaken during the financial year 2023- 24 and the Annual Report on CSR activities as required by the Companies (Corporate Social Responsibility Policy) Rules, 2014, are set out in **Annexure-5** to this Report. Since the amount required to be spend during the year was less than Rs. 50 Lakhs, the responsibilities of the CSR committee were discharged by the Board.

## SECRETARIAL STANDARDS

Your Company complies with the Secretarial Standard on Meetings of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) whenever it has applicable. Your Company will comply with the other Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as and when they are made mandatory.

## CODE OF CONDUCT

The Company has in place a comprehensive Code of Conduct and Our Code (the Codes) applicable to the Directors and employees. The Codes give guidance and support needed for ethical conduct of business and compliance of law.

The Codes reflect the core values of the Company viz. Customer Value, Ownership Mindset, Respect, Integrity, One Team and Excellence. A copy of the Code of Conduct and Our Code are available on the

website of the Company at [www.deneerstools.com](http://www.deneerstools.com). The Codes have been circulated to the Directors and Senior Management Personnel and its compliance is affirmed by them annually.

## DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year.

## POLICY FOR PRESERVATION OF DOCUMENTS

Pursuant to the Regulation 9 of SEBI (LODR), 2015 the Company has maintained the policy of preservation of documents to keep the documents preserve as per Regulation 9(a) & 9(b) of SEBI (LODR), 2015 and the same has been uploaded on the website of the Company on [www.deneerstools.com](http://www.deneerstools.com).

## ACKNOWLEDGEMENT

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors, members, debenture holders and debenture trustee during the year under review. And to you, our shareholders, we are deeply grateful for the confidence and faith that you have always placed on us.

**For and on behalf of the Board of Directors  
De Neers Tools Limited**

Sd/-

**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134

**Date:** 11.05.2024

**Place:** New Delhi

### **ANNEXURE-1**

## CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

*[Pursuant to Section 134 (3) (m) read with Rule 8(3) of Companies (Accounts) Rules, 2014]*

#### A. Conservation of Energy

(i)	The steps taken or impact on conservation of energy;	NA
(ii)	The steps taken by the company for utilizing alternate sources of energy;	NA
(iii)	The capital investment on energy conservation Equipment's.	NA

#### B. Technology absorption

(i)	The efforts made towards technology absorption;	NA
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution;	NA
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(a) The details of technology imported;	NA
	(b) The year of import;	NA
	(c) Whether the technology been fully absorbed;	NA
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
(iv)	The expenditure incurred on Research and Development	NA



### C. Foreign exchange earnings and Outgo-

(i)	The Foreign Exchange earned in the terms of actual inflows during the year;	12,52,273*
(ii)	Foreign Exchange outgo during the year in terms of actual outflow.	23,70,384*

*\*Refer relevant Notes to Financial disclosures.*

**For and on behalf of the Board of Directors of  
De Neers Tools Limited**

Sd/-  
**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134

**Date:** 11.05.2024

**Place:** New Delhi

# MANAGEMENT DISCUSSION & ANALYSIS

## Industry outlook

### Global Hand Tools Sector

The global hand tools market size is estimated to be valued at USD 27.9 billion as of 2023. This market includes a wide range of tools such as hammers, pliers, screwdrivers, wrenches, and others used in various sectors.

The market size is expected to grow at a CAGR of 5.8% to USD 49.0 billion by 2033, driven by increasing demand across multiple industries such as construction, automotive, manufacturing and the rise of DIY culture.

### Hand Tools Sector in India

Hand tools are tools such as spanners, pipe cutters, wrenches, pliers that are not powered by electricity. Hand Tools industry is majorly present in micro and small-scale sector and is one of the oldest industries in the country. The skilled labor for this industry is primarily present in the States like Punjab, Rajasthan and Maharashtra making them a hub of production of hand tools. The construction, automobile, aerospace and DIY sectors use hand tools for applications including drilling, hammering, sawing, and others. Hand tools are majorly used for cutting and sizing wood, tiles, stones, concrete etc. Construction and infrastructure segments are the largest contributors of overall hand tools demand.

The Indian hand tools market is estimated to be valued at USD 1.3 billion as of 2023 and is expected to grow to USD 2.6 billion by 2033. Thus, resulting in a CAGR of 7.2%. This projection takes into account the increasing demand from end-user industries, rising infrastructure projects, and export opportunities. Due to industrialization nationally and globally in recent years, the hand tools market grew manifold. Industries like defense, railways, agriculture, automobiles, and aerospace are expecting good quality products for ease of operation due to which demand for hand tools has seen sharp rise.

**Global Hand Tools Market size  
(billion US \$) 5.8% CAGR  
(2023 - 2022)**



Source: Future Market Insights  
(E – estimated, F – forecasted)

**Indian Hand tools market size  
(billion US\$) 7.2% CAGR  
(2023 - 2022)**

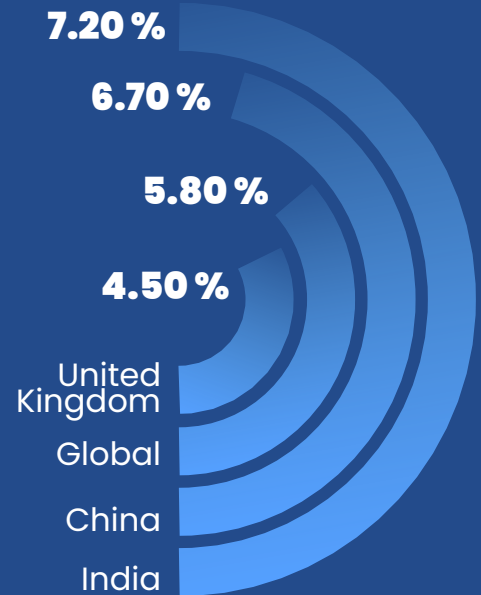


Source: Future Market Insights, CareEdge  
(E – estimated, F – forecasted)

## Favorable macro environment

As the fastest-growing economy in the world, India's hand tools market is poised to outpace global growth rates, even surpassing that of neighboring China. India's robust economic expansion, coupled with ambitious infrastructure projects and government initiatives like "Make in India" and the Smart Cities Mission, creates a fertile ground for rapid growth in the hand tools sector. Acknowledging the strong multiplier effect of building and improving infrastructure on economy, the Union Minister for Finance & Corporate Affairs, Smt Nirmala Sitharaman while presenting the Budget 2024-25 announced the provisioning of ₹ 11,11,111 crore for capital expenditure. It will be 3.4 per cent of the country's GDP. The Government is envisioning to maintain strong fiscal support for infrastructure over the next 5 years and it is well supported by the government's historic trend backing capital expenditures. This economic dynamism would support the growth in the hand tools market, benefiting from a combination of strong domestic demand, increasing industrialization, and booming infrastructure industry. Consequently, the Indian hand tools market is anticipated to grow at a CAGR of 7.2% from 2023 to 2023, surpassing the global average growth rate of 5.8%

## Hand tools market growth rate (2023 - 2033)



Source : Future Market Insights



## Indian Hand Tools Industry Dynamics

Given that the hand tool industry in India is predominantly unorganized, with 80% of the sector falling under this category, the overall industry growth rate remains in single digits. However, the organized sector is expected to gain a larger market share from the unorganized sector. This shift is expected to result in the organized sector outpacing the growth of the overall hand tool industry in India. Several factors support this argument:



**Implementation of Goods and Services Tax (GST):** The introduction of GST has brought numerous unorganized businesses under the tax net, significantly reducing tax evasion. This has leveled the playing field, enabling organized players to compete more effectively.



**Demonetization:** The demonetization drive has disrupted cash-based transactions, which are prevalent in the unorganized sector and has encouraged the adoption of digital payments. This transition has facilitated greater transparency and formalization within the industry.



**Shift Toward Quality Consciousness:** The Indian market for hand tools is moving away from a price-sensitive approach and towards quality-consciousness, driven by industry or application-specific criteria. Both consumers and industries are increasingly prioritizing durability and precision over cost.



**Expansion of Key Industries:** The growth of sectors such as aviation, heavy engineering, automotive, gardening/horticulture, woodworking, and construction/infrastructure has spurred the demand for high-quality, specialty tools. This demand is predominantly met by the organized sector, further accelerating its growth.

These factors collectively are expected to contribute to the growth trajectory of the organized hand tools sector, which is expected to significantly outpace the overall industry growth rate in India. The structured and transparent operations of organized businesses, combined with an increasing focus on quality and specialized tools, positions the organized sector for substantial expansion and market dominance.





# UNDERSTANDING OUR BUSINESS

Our company, **De Neers Tools Ltd.** is amongst leading suppliers of hand tools in India.

Driven by the extensive industry experience of our promoters, De Neers Tools Ltd. has grown remarkably since its inception. Beginning as a small setup in Delhi, our operations have expanded to cover multiple states across the country. This strategic expansion reflects our ability to adapt to market demand and our dedication to reaching a broader customer base.

Our hand tools are produced under our stringent quality parameters and rigorous supervision. We ensure that every product meets the highest standards of durability and performance. The production facilities are equipped with state-of-the-art technology and robust infrastructural capabilities. Thus, ensuring consistency and precision in the manufacturing processes.

Committed to operational excellence, our ISO 9001, 14001, and 45001 certifications validate our focus on quality, environmental stewardship, and employee safety. These standards underpin our position as a responsible industry leader.



## OUR PRODUCT PORTFOLIO



**Steel Hand Tools**



**Stainless Steel Tools**



**Non-Sparking Tools**



**Tool Kits, Tool-Boxes & Trolleys**



**Insulated Tools**

# INDUSTRIES SERVED



**Automotive**



**Textile**



**Mining**



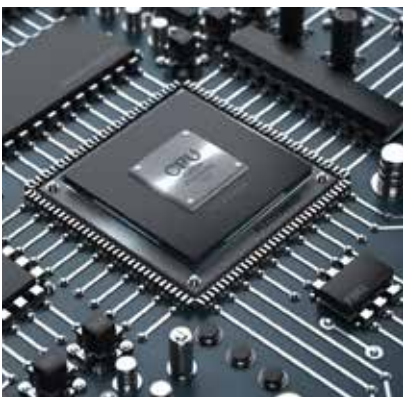
**Healthcare  
& Pharma**



**Steel  
Industries**



**Infrastructure**



**Electronics**



**Engineering**



**Petro Chemical  
/ Oil & Gas**



**Cement**



**Agriculture**



**Power Sector**



# ASSESSING OUR POSITION:

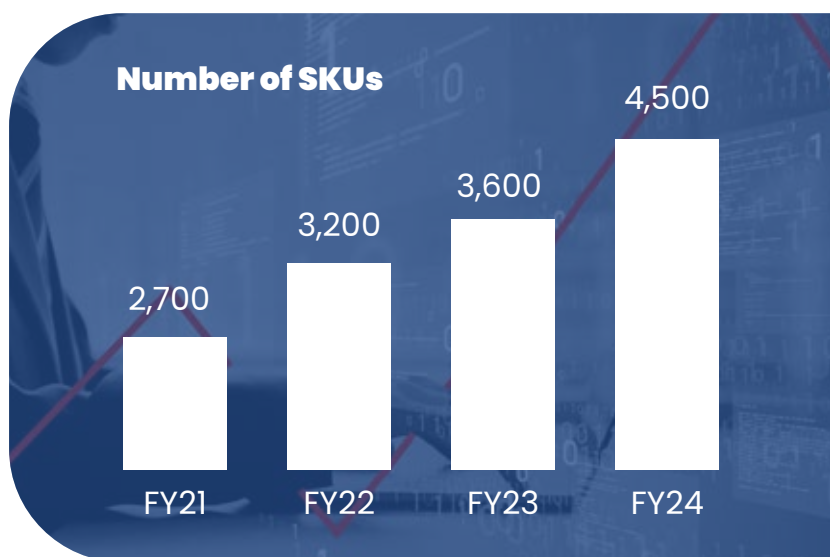
## SWOT Analysis

At De Neers Tools, we recognize that a clear understanding of our market position is essential for sustainable growth. This SWOT analysis helps us assess our Strengths, Weaknesses, Opportunities, and Threats and hence, providing our stakeholders a transparent view of our current standing and future potential. It serves as a strategic compass, guiding our decisions as we navigate the evolving hand tools industry and pursue our vision of global leadership.

## Strength

### 1. Diverse SKUs

We possess the industry's most extensive SKU selection, surpassing even our closest competitor whose offering is less than half as extensive.



**YOU  
NAME IT,  
WE  
HAVE IT!**

**~4500 SKU'S**

Our SKUs have expanded by around 20% since last 2 years

## Key Advantages



### Distinct Brand identity

Our extensive range of hand tools is unmatched in the industry, earning us the reputation as the ultimate solution provider, no matter how niche or rare the requirement.



### Customer Convenience

Customers value the convenience of a one-stop shop. Hence, reducing the need to source from multiple suppliers.



### Cross selling opportunities

Advantage of cross-selling related products within the SKU portfolio. Hence, improving the ability to increase average transaction value.

# Strength

## 2. Dynamic Leadership constituting Next-Generation

Our company benefits from the infusion of next-generation leadership, bringing a fresh, aggressive approach to business growth. This new perspective has catalyzed several key initiatives:

### Innovative brand-building strategies

### Ambitious global expansion plans

### Strategic OEM alliances

These developments are a direct result of the forward-thinking, risk-embracing mindset of our young leadership, positioning De Neers Tools at the forefront of industry innovation.

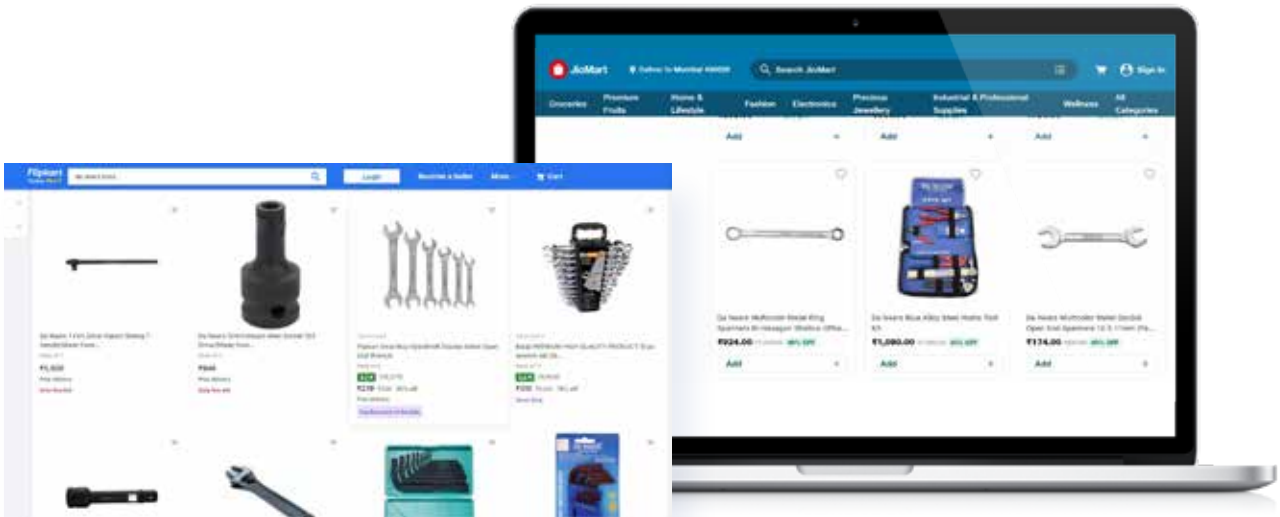


## 3. Extensive and Robust Distribution Network

**Offline Reach:** Owing to our around 300 dealer network, our products are readily available within 30-40 km radius across India, including tier 4 towns. Thus, ensuring robust market penetration.

**Online Presence:** Strategic partnerships with major e-commerce platforms like Amazon, JioMart, Flipkart etc. have expanded our digital footprint. Hence, enabling us to analyze and cater the evolving consumer preferences and gradually tap this Direct to customer (DTC) space.

Dealer Network ~300





# Strength

## 4. Long-standing Dealer Relationships

**Multi-generational Partnerships:** We pride ourselves on dealer relationships spanning three generations, some extending over 30-35 years. These enduring partnerships foster deep-rooted trust, ensuring a stable market presence and consistent product availability.

### Commitment to Quality

#### Product Excellence:

- We provide quality test certificates with tools.
- Use of superior raw materials compared to industry standards. As an example, our spanners are crafted from chrome vanadium steel with a high vanadium ratio (5-10% more than general industry practice), offering superior quality and durability compared to the market standard of low vanadium ratio and preference for carbon steel.
- We offer 12-month no-questions-asked replacement warranty, thus instilling customer confidence

#### Superior Packaging:

- The industry standard typically utilizes a 3-ply inner box and a 5-ply outer box for packaging. We surpass these norms by utilizing a sturdy 5-ply inner and 7-ply outer box. This extra layer of protection ensures our products arrive in optimal condition, ready to meet our customer's expectations.



# Weaknesses

## Working Capital Intensity

### Expanded inventory period:

Driven by our growing brand and continuous addition of SKUs, our working capital investment has intensified. Balancing stock levels across an expanding product range has increased our inventory holding period.

### Extended Receivable Cycle:

Our long-standing relationships with dealers often result in extended payment terms. While this strengthens dealer loyalty, it leads to longer receivable days.



# Opportunities

**Global Market Expansion:** Our quality-focused approach positions us favorably for expansion into export markets. Our recent expansion in Dubai positions us to capitalize on the region's robust industrial sector.

**Technological Advancements:** The hand tool industry is undergoing rapid transformation, driven by technological advancements such as laser-guided measuring tools. These innovations create opportunities for us to expand into high-precision tool segments and address the evolving needs of our customers.

**Power Tools Market:** We see significant potential in expanding our product line to include power tools, which would complement our existing hand tool offerings.

**Favorable macros:** The hand tool industry is subject to increasingly stringent quality standards due to the direct impact of these tools on human safety. As a result, markets are becoming more organized and quality centric. Hence, this would benefit organized players going forward.

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## Threats

**Low Entry Barriers:**

The hand tools industry's relatively low entry barriers could lead to increased competition. New entrants may resort to aggressive pricing strategies, potentially impacting margins.

**Technological Disruption:**

The rise of power tools and automated solutions may replace certain traditional hand tools.

**Raw Material Price Fluctuations:**

Fluctuations in raw material costs can negatively impact profit margins, reducing profitability.

**Demand Fluctuations:**

Economic cycles can impact construction and manufacturing activity, leading to decreased demand for hand tools and revenue instability.



# FINANCIAL STATEMENT ANALYSIS

We are pleased to present our financial results, which reflect our company's growth trajectory and operational excellence. The following summarized income statement provides insight into our financial performance, demonstrating our commitment to creating sustainable value for our stakeholders.

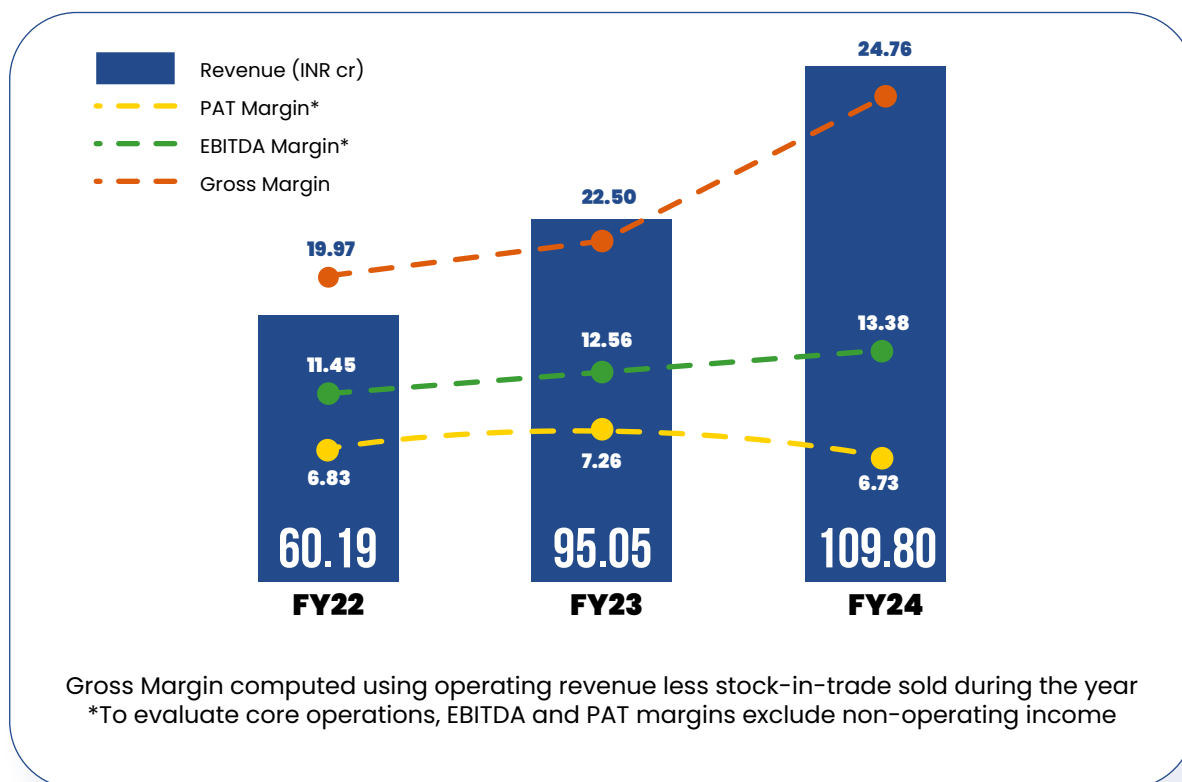
Reviewing our financials, the readers will observe the tangible results of our strategic initiatives and market positioning. Our consistent financial growth not only validates our business model but also reinforces our confidence in our future prospects.

INR Crore	FY22	FY23	FY24
<b>INCOME STATEMENT</b>			
Revenue from Operations	60.19	95.05	109.80
Operating Costs	53.30	83.12	95.11
<b>Operating Profit (EBITDA)</b>	<b>6.89</b>	<b>11.94</b>	<b>14.69</b>
Other Income	1.10	0.05	1.79
Finance Costs	0.73	1.93	3.50
Depreciation & amortisation	0.32	0.78	0.84
<b>Profit Before Tax (PBT)</b>	<b>6.94</b>	<b>9.27</b>	<b>12.14</b>
Less: Tax expense	2.05	2.33	3.48
<b>Profit After Tax (PAT)</b>	<b>4.88</b>	<b>6.94</b>	<b>8.66</b>





# KEY FINANCIAL HIGHLIGHTS:



- We are pleased to report a robust revenue growth of around 35% over the past two years. Our revenue for FY24 reached INR 109.80 crore, a significant increase from INR 60.19 crore in FY22, demonstrating strong market demand for our products and effective execution of our growth strategies.
- Our focus on margin expansion has yielded tangible results. Operating profit has shown remarkable growth, increasing by approximately 46% over the past two years. We achieved an operating profit of INR 14.69 crore in FY24, up from INR 8.89 crore in FY22. This improvement highlights our ability to translate revenue growth into enhanced profitability, with EBITDA margins showing notable expansion.
- While our EBITDA margins have improved, reflecting our operational efficiencies, we've observed some pressure on our net profit margins. This is primarily due to the increased interest payouts driven by higher working capital requirements to support our growth. However, we view this as a temporary phase in our growth trajectory. We are actively focusing on optimizing our working capital management and anticipate our net profit margins to improve in the coming periods.



### ANNEXURE-3

#### PARTICULARS OF EMPLOYEES

*(Particulars pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)*

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24:

Name of the Director	Designation	Remuneration	Median Remuneration (MR)	Ratio No. of times to MR
Neeraj Kumar Aggarwal	Managing Director	24,00,000/-	188293/-	1:13
Shilpy Aggarwal	Whole-Time Director	19,20,000/-	188293/-	1:10
Kanav Gupta	Whole-Time Director & CFO	12,00,000/-	188293/-	1:6
Aarti Arora	Independent Director	NIL	-	-
Dhikash	Independent Director	NIL	-	-
Rajesh Gupta	Independent Director	NIL	-	-

2. The percentage Increase in the remuneration of each Director, CFO, CEO and Company Secretary for the financial year 2023-24:

Name of the Director	Designation	Remuneration	Median Remuneration (MR)	Ratio No. of times to MR
Neeraj Kumar Aggarwal	Managing Director	24,00,000/-	188293/-	1:13
Shilpy Aggarwal	Whole-Time Director	19,20,000/-	188293/-	1:10
Kanav Gupta	Whole-Time Director & CFO	12,00,000/-	188293/-	1:6
Nisha Shaw	Company Secretary	56,388/-	188293/-	1:0.3
Bhagyashree Periwal	Company Secretary	1,65,002/-	188293/-	1:0.87

3. Details of top ten employees in terms of remuneration drawn as per Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the financial year 2023-24:

S. No	Name	Designation	Remuneration received during the year (in Rs.)	Qualification	Date of commencement of Employment	Exp. (Yrs.)	Age (Yrs.)	Last employment held
1	Neeraj Kumar Aggarwal	Managing Director	24,00,000	Graduate	26/07/2021	31	50	Designated Partner
2	Shilpy Aggarwal	Whole Time Director	19,20,000	Graduate	26/07/2021	11	48	Designated Partner
3	Kanav Gupta	Chief Financial Officer	12,00,000	Graduate	26/07/2021	7	30	Designated Partner
4	Santosh Kumar Mishra	Accounts Manager	7,09,800	Graduate	26/07/2021	23	46	Accountant
5	Dinesh Kumar Sharma	Sales Manager	7,36,628	Graduate	26/07/2021	34	60	Sales Executive
6	Vaibhav Chakravarti	Sales Executive	8,13,448	Graduate	01/12/2021	4	31	Sales Executive
7	Deepali Gupta	Sales Head	16,25,000	Graduate	26/07/2021	9	27	Sales Head
8	Manoj Kumar	Sales Manager	7,50,425	Diploma in mach. Engineering	26/07/2021	21	49	Deputy Manager Marketing
9	Shalini Chakravarti	Computer Operator	6,00,000	10+2	01/04/2022	8	31	Computer Operator
10	Riya Aggarwal	HR Manager	16,25,000	Graduate	01/09/2021	4	22	HR Manager

**For and on behalf of the Board of Directors  
De Neers Tools Limited**

**Date:** 11.05.2024

**Place:** New Delhi

Sd/-

**Neeraj Kumar Aggarwal**

Chairperson & Managing Director

DIN: 08058134

## ANNEXURE-4

### Form No. AOC-2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

### 1. Details of contracts or arrangements or transactions not at arm's length basis:

a) Name(s) of the related party and nature of relationship	<b>NIL</b>
b) Nature of contracts/arrangements/transactions	
c) Duration of the contracts / arrangements/transactions	
d) Salient terms of the contracts or arrangements or transactions including the value, if any	
e) Justification for entering into such contracts or arrangements or transactions	
f) date(s) of approval by the Board	
g) Amount paid as advances, if any:	
h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

### 2. Details of material contracts or arrangements or transactions at arm's length basis:

**De Neers Tools Limited** has entered into a contract or arrangement or transaction with its related parties which is at arm's length basis during the financial year 2023-24 are as follows:

Name of related party and the nature of the relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts/ arrangements/ transactions	Salient Terms of contracts/arrangements/transactions including the value, if any	Date of Approval by the Board, if any	Amount paid as advance, if any
Mr. Kanav Gupta (Whole-time Director & CFO)	1. Loan Taken 2. Loan Repayment 3. Director Remuneration 4. Interest on Loan	As per agreement and as decided by the Board	1. 11,76,71,500 2. 5,36,60,000 3. 12,00,000 4. 7,51,533	As per agreement	Nil
Mr. Neeraj Kumar Aggarwal (Managing Director)	1. Loan Taken 2. Loan Repayment 3. Director Remuneration	As per agreement and as decided by the Board	1. 8,88,66,600 2. 14,86,37,143 3. 24,00,000 4. 18,00,000 5. 61,59,406	As per agreement	Nil



	4. Rent 5. Interest on Loan				
Mrs. Shilpy Aggarwal (Whole-time Director)	1. Loan Taken 2. Loan Repayment 3. Director Remuneration 4. Rent 5. Interest on Loan 6. Reimbursement of Expenses	As per agreement and as decided by the Board	1. 1,46,10,000 2. 3,31,16,295 3. 19,20,000 4. 30,00,000 5. 18,37,443 6. 10,500	As per agreement	Nil
Ms. Riya Aggarwal (Director's Relative)	1. Bonus 2. Salary	As per agreement and as decided by the Board	1. 1,25,000 2. 15,00,000	As per agreement	Nil
Ms. Deepali Aggarwal (Director's Relative)	1. Bonus 2. Salary	As per agreement and as decided by the Board	1. 1,25,000 2. 15,00,000	As per agreement	Nil
Buy and Buy Retailing	1. Staff Welfare Expenses	-	13,175	-	Nil

**For and on behalf of the Board of Directors  
De Neers Tools Limited**

**Date:** 11.05.2024

**Place:** New Delhi

Sd/-  
**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134

## **ANNEXURE- 5**

### **Annual Report on CSR Activities for the Financial Year 2023-24 (Pursuant to Section 135 of the Companies Act read with CSR Rules, 2014)**

#### **1. Brief outline on CSR Policy of the Company.**

The company gives back to communities and create value for society by focusing on CSR efforts in areas where the company can have the most impact: Creating an Inclusive Economy, Bridging the Global Skills Gap, and Promoting a Sustainable Environment.

The CSR policy of the Company is broadly framed, and the main objectives of the CSR policy of the Company are as follows:

1. To lay down guidelines to make CSR a key business process for the sustainable development of society;
2. To make a positive contribution to society through high impact, sustainable programs;
3. To directly/indirectly undertake projects/programs/activities which will enhance the quality of life and economic well-being of society at large;
4. To provide opportunities for its employees, customers and partners to contribute to these efforts through volunteering;
5. To build partnerships and promote innovation through incubation of ideas and technology to address societal needs.

#### **2. Composition of CSR Committee.**

The roles and responsibilities of the CSR committee has been duly discharged by the Board of Directors of the company since the amount of CSR expenditure required to be spend does not exceeds Rs. 50 Lakhs.

#### **3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.**

[The details can be found at https://deneerstools.com.](https://deneerstools.com)

#### **4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) - Not Applicable**

#### **5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable**

#### **6. Average net profit of the Company as per section 135(5): INR 8,10,57,604**

7. (a) Two percent of average net profit of the Company as per section 135(5): INR 16,21,152  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): INR 16,21,152
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
16,25,000	NA		NA		

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent in the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Providing, Supplying and placing 150 dual desks for the class rooms	Promoting Education	No	Sirmour,	Nagheta, Himachal Pradesh	5,25,000	Yes	Govt Secondary School, Sirmour (HP)	Senior School, dist-
2.	Education Awareness	Promoting Education	Yes	Pitampura,	Delhi	9,00,000	No	Mohan Charitable Educational Trust	CSR00009508

3.	Education Awareness	Promoting Education	No	Kanpur Nagar, Uttar Pradesh	2,00,000	No	Shri Puranchandra Gupta Smarak Trust  CSR00000174
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**(d) Amount spent in Administrative Overheads - Nil**

**(e) Amount spent on Impact Assessment, if applicable - Nil**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e) - INR 16,25,000**

**(g) Excess amount for set off, if any - Nil**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the Company as per section 135(5)	16,21,152
(ii)	Total amount spent for the Financial Year	16,25,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,848
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,848

**9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

**For and on behalf of the Board of Directors  
De Neers Tools Limited**

**Date:** 11.05.2024

**Place:** New Delhi

Sd/-  
**Neeraj Kumar Aggarwal**  
Chairperson & Managing Director  
DIN: 08058134



**ANNEXURE-6****FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 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,  
**DE NEERS TOOLS LIMITED**  
PNo. 468, Ground Floor, Industrial Area Patparganj,  
East Delhi, Delhi, India, 110092

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by DE Neers Tools Limited having (CIN): U29309DL2021PLC384229 (hereinafter called the Company). The 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 company's 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 31<sup>st</sup> March, 2024 (audit period) 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 the company for the financial year ended on 31<sup>st</sup> 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 there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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; (Not applicable to the company during the audit period)
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
4. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the audit period)
5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the audit period)
6. 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;
7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period) and
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the audit period)
9. The Securities and Exchange Board of India (Listing and Obligations Disclosure Requirements) 2015.

VI. As informed by the management, there are no sector/industry specific laws that are specifically applicable to the company.

In respect of above laws specifically applicable to the Company, we have relied on information /records produced by the company during the course of our audit on test check basis and limited to that extent, the company has complied with the above laws applicable to the company.

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 Listing Agreements entered into by the Company with the National Stock Exchange. Now Disclosure under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The company had filed the SDD compliance Certificate with delay for the quarter ended 30<sup>th</sup> June 2023, however, the company made the compliance good later on.
2. There was a three days delay in submitting the Annual Report for the financial year ended 31<sup>st</sup> March 2023 in XBRL mode. The company made the compliance good and submitted the fine.

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.

We also report that, the compliance by the company of applicable financial laws such as Direct and Indirect Tax Laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory auditors, tax auditors and designated professionals.

During the period under review, there was no change in the Composition of the Board of Directors except for the following:

1. Resignation of Ms. Nisha Shaw, Company Secretary & Compliance Officer of the Company with effect from 16<sup>th</sup> May 2023.
2. Appointment of Ms. Bhagyashree Periwal, as the Company Secretary & Compliance Officer w.e.f. 17<sup>th</sup> May 2023.

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 before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings and Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and committees, as the case may be.

We 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.

We further report that during the audit period the company has following major events:

1. During the year the company has made a public offer of 22,76,400 Equity shares and the same was listed on NSE EMERGE Platform.
2. The Board in its board meeting held on 13<sup>th</sup> March 2024, approved the incorporation/ establishment of a wholly owned subsidiary in Dubai, United Arab Emirates.

**Place:** Ghaziabad  
**Date:** 05.05.2024

Yours Faithfully  
**For Prachi A & Associates**  
(Practicing Company Secretary)

Sd/-  
**CS Prachi Agarwal**  
C. P. No: 25579 M. No.: A66632  
**UDIN:** A066632F000311239

**ANNEXURE A**

To,  
The Members,  
**DE NEERS TOOLS LIMITED**  
PNo. 468, Ground Floor, Industrial Area Patparganj,  
East Delhi, Delhi, India, 110092

- a. Maintenance of the secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31<sup>st</sup> March, 2024.
- d. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- e. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
- f. The compliance of the provisions of the Corporate and other applicable Laws, Rules, Regulations and Standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
- g. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Place:** Ghaziabad  
**Date:** 05.05.2024

Yours Faithfully  
**For Prachi A & Associates**  
(Practicing Company Secretary)

Sd/-  
**CS Prachi Agarwal**  
C. P. No: 25579 M. No.: A66632  
**UDIN:** A066632F000311239



## **INDEPENDENT AUDITORS' REPORT**

**To,  
The Members of De Neers Tools Limited**

### **Report on the Audit of Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of De Neers Tools Limited ("the Company"), which comprises the balance sheet as at 31<sup>st</sup> March 2024, the statement of Profit and Loss, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the Year ended 31<sup>st</sup> March, 2024:

- (i) is presented in accordance with the requirements of Regulations 33 of the Listing Regulations and the Act; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Company for the year then ended 31<sup>st</sup> March 2024.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended 31<sup>st</sup> March, 2024 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's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

#### **Responsibilities of the Management and Those Charged with Governance for this Statement**

This accompanying Statement which includes the Standalone Financial Results for the year ended 31<sup>st</sup> March 2024 is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended 31<sup>st</sup> March, 2024 has been compiled from the related audited condensed standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the year ended 31<sup>st</sup> March, 2024 that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in the Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulations 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and

other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the accompanying Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

### Auditor's Responsibilities for the Audit of the Standalone Financial Results for the year ended 31<sup>st</sup> March, 2024.

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended 31<sup>st</sup> March, 2024 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 this Annual Standalone Financial Results.

As per of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulations 33 and 52 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Annual Standalone Financial Results 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 Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represents the underlying transactions and events in a manner that achieves fair presentation.

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

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.

## Other Matter

The accompanying Statement includes the results for the half year ended 31 March, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the first half year of the current financial year. Our opinion on the Audit of the Standalone Financial Results for the year ended 31st March, 2024 is not modified in respect of this matter.

for Gautam Sehgal & Co.  
Chartered Accountants  
FRN: 015736N

**Place:** New Delhi  
**Dated:** 11/05/2024

Sd/-  
**Gautam Sehgal**  
**(Partner)**  
M. No.: 095938  
UDIN: 24095938BKETKC5693

**ANNEXURE A TO THE INDEPENDENT AUDITOR' REPORT TO THE  
MEMBERS OF DE NEERS TOOLS LIMITED DATED 11/05/2024**

**Report on the matters specified in paragraph 3 and 4 of the companies (Auditor's Report) Order, 2020 ("the Order") issued by the central Government of India in terms of section 143(11) of the companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements' section.**

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

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment on the basis of available information.  
  
(B) The Company has no intangible assets. Hence, provision of paragraph 3(i)(a)(B) of the order is not applicable to the company.
- (b) The physical verification of property, plant & equipment has done by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) The Company has not owned any immovable property. Hence, provision of paragraph 3(i)(c) of the order is not applicable to the company.
- (d) The company has not revalued its property, plant and equipment including right of use assets or intangible assets or both during the year. Thus, reporting under Paragraph 3(i)(d) of the said order is not applicable to the company.
- (e) In our opinion and according to the information and explanation given to us, No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except goods-in-transit, which have been received subsequent to the year-end or confirmations have been obtained from the parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the



aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable, when compared with the books of account.

- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are in agreement with the books of account of the Company. The Company has not been sanctioned any working capital facility from financial institutions.
- (iii) The company has not made any investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, provision of paragraph 3(iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, the company has not given any loan, investment, guarantees and securities as per provisions of section 185 and 186 of the Act. Hence, provision of paragraph 3(iv) of the order is not applicable to the company.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act for the Company's activities. Hence, the provisions of paragraph 3(vi) of the Order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, employees' state insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues as applicable to the Company with the appropriate authorities though there has been a delay in respect of remittance of taxes.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, employees' state insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months.

- (b) According to the records of the Company, there is no such statutory dues as referred in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, an associate or a joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies
- (x) (a) The Company has come out with public issue wherein it has issued 22,76,400 equity shares of Rs. 10/- each at issue price of Rs. 101 each on 11th May 2023.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2024.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.  
(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.  
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.  
(d) The Group has no Core Investment Company (CIC) as part of the Group. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information

accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) Section 135 of Companies Act is not applicable to the company. Hence, the provisions of paragraph 3(xx)(a) & (b) of the Order is not applicable to the company.
- (xxi) There is no qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) reports of the companies. Hence, the provisions of paragraph 3(xxi) of the Order is not applicable to the company.

Place: Delhi  
Dated: 11/05/2024

for Gautam Sehgal & Co.  
Chartered Accountants  
FRN : 015736N

Sd/-  
Gautam Sehgal  
(Partner)  
M. No.: 095938  
UDIN: 24095938BKETKC5693



## **DE NEERS TOOLS LIMITED**

### **Annexure B to the Independent Auditor' Report to the Members of DE Neers Tools Limited**

#### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of De Neers Tools Limited as on March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

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

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

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

## Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purpose in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (a) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) 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 standalone financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

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

for Gautam Sehgal & Co.  
Chartered Accountants  
FRN : 015736N

Place: Delhi  
Date: 11/05/2024

Sd/-  
Gautam Sehgal  
(Partner)  
M. No.: 095938  
UDIN: 24095938BKETKC5693

**DE NEERS TOOLS LIMITED****Notes to the financial statements for the year ended  
31<sup>st</sup> March 2024****1. Corporate information**

De Neers Tools Limited is a public company domiciled in India and incorporated as on 26/07/2021 under the provisions of the Companies Act, 2013. The Company is engaged in the business of wholesale trading of Hardware Tools. Company has been listed on stock exchange as SME on 11<sup>th</sup> May 2023.

**2. Significant accounting policies****a. Basis of preparation of financial statements**

The Financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These have been prepared to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared under the historical cost convention, on accrual basis and on principles of going concern. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**b. Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**c. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically,

- i) Revenue from sale of goods are recognized on accrual basis and only after transfer of goods to the customer. Sales are net of taxes applicable and sales returns.
- ii) Revenue from rendering of services are recognized when the related services are performed. Services are net of taxes applicable.
- iii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- iv) Dividend on investments are recognized on receipt basis.



## d. Property, Plant & Equipment

### i) Tangibles

Tangible fixed assets are stated at cost of acquisition or construction, or at revalued amounts, net of impairment loss if any, less accumulated depreciation/amortization. The Company capitalizes all costs relating to the acquisition and installation of Fixed Assets.

## e. Depreciation/Amortization

### i) Depreciation on Tangible assets:

Depreciation is provided on written down value method at the rates and in the manner based on the useful lives prescribed under Schedule II of the Companies Act 2013 and the depreciation/amortization have been provided accordingly.

## f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date to assess whether there is any indication of impairment based on internal /external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## g. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. Current investments are valued at lower of cost and fair value determined on an individual investment basis. Changes in the carrying amount of current investments are recognized in the statement of profit and loss account. Non-current investments are valued at cost. However, provision for diminution in value is made to recognize a decline that is other than temporary in the value of investments, wherever considered necessary. Cost comprises cost of acquisition and related expenses such as brokerage and stamp duties.

## h. Inventories

Inventories consisting of Stock in Trade are valued at the lower of cost and net realizable value. Cost is ascertained on a first in first out basis.

## i. Employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc. are recognized in Profit & Loss A/c in the period in which the employee renders the related service.

### i) Defined Contribution Plan:

Contributions as per the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 towards provident fund and pension fund are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

### ii) Defined Benefit Plan:

Gratuity being unfunded and are provided based on actuarial valuation made at the end of each financial year using the projected unit credit method. Or Provision for Employees' Gratuity is provided for as on the date of balance sheet

## **j. Borrowing costs**

- i) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.
- ii) Other Borrowing costs are recognized as expense in the period in which they are incurred.

## **k. Taxes on Income**

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 and tax laws prevailing in the respective tax jurisdictions where the Company operates.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted.

Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

## **l. Earnings per Share (EPS)**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares is adjusted for events such as bonus issue and shares split that have changed the number of equity shares outstanding without a corresponding change in resources.

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

## **m. Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

## **n. Foreign currency transactions**

### **i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**ii) Conversion**

Foreign currency monetary items which are unsettled at the year-end are reported using the closing rate.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**o. Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**p. Contingent liabilities**

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

**q. Segment Reporting****i) Business Segments:**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is wholesale trading of Hardware Tools. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

**ii) Geographical Segments:**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

**r. Cash and Bank Balances**

Cash and bank balances comprise cash at bank and cash/cheques on hand and deposits with Banks.

**DE NEERS TOOLS LIMITED**

CIN: U29309DL2021PLC384229  
BALANCE SHEET AS AT 31st MARCH 2024

(Amount in ₹)

PARTICULARS	NOTES	31st March 2024	31st March 2023
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Fund</b>			
Share Capital	3	286,064,000	263,300,000
Reserves & Surplus	4	365,764,266	72,051,362
<b>Non-Current Liabilities</b>			
Long Term Borrowings	5	328,454,663	346,175,227
Other Non Current Liabilities	6	1,857,438	1,176,150
<b>Current Liabilities</b>			
Short Term Borrowings	7	254,943,211	261,519,687
Trade Payables	8	119,937,142	370,444,437
Other Current Liabilities	9	27,761,506	6,997,989
Short Term Provisions	10	45,818,000	24,459,318
<b>Total</b>		<b>1,430,600,226</b>	<b>1,346,124,170</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment and Intangible Assets	11		
Property, Plant & Equipment		20,185,206	25,321,644
Intangible Assets		-	-
Capital WIP		-	-
Deferred Tax Assets	12	13,996,105	1,537,011
Other Non-Current Assets	13	6,829,818	4,336,000
<b>Current Assets</b>			
Inventories	14	856,844,855	877,310,579
Trade Receivables	15	377,395,166	335,977,704
Cash and Cash Equivalents	16	2,187,225	1,106,725

Short Term Loan and Advances	17	125,124,329	29,067,028
Other Current Assets	18	28,037,522	71,467,479
<b>Total</b>		<b>1,430,600,226</b>	<b>1,346,124,170</b>
Corporate Information	1		
Significant Accounting Policies	2		
Other Notes	26-35		

"As per our report of even date"

For & on behalf of  
Gautam Sehgal & Company  
Chartered Accountants

PLAC: NEW DELHI  
DATED: 11/05/2024

Sd/-  
Gautam Sehgal  
  
(PARTNER)  
M No: 095938  
FRN: 015736N

Sd/-  
Bhagyashree  
Periwal  
(Company  
Secretary)  
M No: A 50954

Sd/-  
Kanav Gupta  
  
(CFO & Whole Time  
Director)  
DIN: 06802701

Sd/-  
Neeraj Kumar Aggarwal  
  
(Managing Director)  
DIN: 08058134



**DE NEERS TOOLS LIMITED**

CIN: U29309DL2021PLC384229  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED  
 31<sup>st</sup> MARCH 2024**

(Amount in ₹)

PARTICULARS	NOTES	31st March 2024	31st March 2023
		<b>(Audited)</b>	<b>(Audited)</b>
<b>Income</b>			
I Revenue from Operations	19	1,097,975,526	950,512,763
II Other Income	20	17,850,058	489,261
III Total Income (I+II)		1,115,825,584	951,002,024
<b>IV Expenses</b>			
Purchases of Stock-In-Trade		805,692,890	1,074,571,653
Changes in Inventories of Finished Goods, Work-In- Progress and Stock-In-Trade	21	20,465,724	(337,880,101)
Employee Benefits Expenses	22	35,122,945	31,636,506
Finance Costs	23	34,969,178	19,311,894
Depreciation and Amortisation Expense		8,374,542	7,829,370
Other Expenses	24	89,820,472	62,833,566
Total Expenses		994,445,751	858,302,888
<b>Profit/(Loss) before Exceptional Items and V Tax</b>		121,379,833	92,699,136
Exceptional Items		-	-
VI <b>Profit/(Loss) before Tax</b>		<b>121,379,833</b>	<b>92,699,136</b>

VII	<b>Tax expense</b>			
	Current Tax		45,800,000	24,445,645
	Deferred Tax		(12,459,094)	(1,106,043)
	Prior Period IT		1,458,423	-
VIII	<b>Profit/(Loss) for the year (VIII-IX)</b>		<b>86,580,504</b>	<b>69,359,534</b>
	<b>Earnings Per Share</b>	25		
	Basic		10.36	10.96
	Diluted		10.36	10.96
	Corporate Information	1		
	Significant Accounting Policies	2		
	Other Notes	26-35		

"As per our report of even date"

PLAC: NEW DELHI  
DATED: 11/05/2024

Sd/-  
Gautam Sehgal

(PARTNER)  
M No: 095938  
FRN: 015736N

Sd/-  
Bhagyashree  
Periwal  
(Company  
Secretary)  
M No: A 50954

Sd/-  
Kanav Gupta  
(CFO & Whole Time  
Director)  
DIN: 06802701

For & on behalf of  
Gautam Sehgal & Company  
Chartered Accountants

Sd/-  
Neeraj Kumar Aggarwal

(Managing Director)  
DIN: 08058134

**DE NEERS TOOLS LIMITED**

CIN: U29309DL2021PLC384229

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH 2024**

(Amount in ₹)

PARTICULARS	31st March 2024	31st March 2023
<b>CASH FLOW FROM OPERATING A. ACTIVITIES</b>		
NET PROFIT/ (LOSS) BEFORE TAX	<b>121,379,833</b>	<b>92,699,136</b>
Adjustments for:		
Depreciation and Amortisation	8,374,542	7,829,370
Finance Costs	34,969,178	19,311,894
Prov for Gratuity	681,288	794,674
Credit Balance written off	17,778,859	-
Prior Period Exp	-	632
Loss/(Profit) on sale of Fixed Asset	-	(455,986)
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>183,183,700</b>	<b>120,179,720</b>
Adjustments for changes in working capital :		
- (Increase)/Decrease in Trade and Other Assets	(85,437,214)	(18,673,909)
- (Increase)/Decrease in Inventories	20,465,724	(337,880,101)
- Increase/(Decrease) in Trade and Other Liabilities	(247,502,637)	6,923,749
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(129,290,427)</b>	<b>(229,450,541)</b>
- Taxes (Paid)/Received {Net of Withholding Taxes(TDS)}	(37,012,820)	(21,146,761)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(166,303,247)</b>	<b>(250,597,302)</b>
<b>CASH FLOW FROM INVESTING B. ACTIVITIES</b>		

Purchases of Fixed Assets during the year	(3,238,104)	(13,490,751)
Proceeds from sale of Fixed Assets	-	1,116,082
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(3,238,104)</b>	<b>(12,374,669)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long-Term Borrowings	601,761,987	197,076,881
Payments of Long-Term Borrowings	(629,619,080)	(91,560,483)
Proceeds from Short-Term Borrowings	1,232,461,950	593,763,273
Payments of Short-Term Borrowings	(1,228,921,895)	(456,010,845)
Equity Share Capital	229,916,400	-
Preference Share Capital	-	27,500,000
Dividend paid	(8,333)	(28,917)
Finance Costs paid	(34,969,178)	(19,311,894)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>170,621,851</b>	<b>251,428,015</b>
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES</b>	<b>1,080,500</b>	<b>(11,543,956)</b>
CASH AND BANK BALANCES - OPENING	1,106,725	12,650,681
CASH AND BANK BALANCES - CLOSING	2,187,225	1,106,725
<b>NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES</b>	<b>1,080,500</b>	<b>(11,543,956)</b>

#### NOTES:

- 1 The above cash flow statement has been prepared under the "Indirect method" set out in the Accounting Standard- 3 on 'Cash Flow Statements'.
- 2 Figures in brackets indicate cash outflow.

- 3 Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.
- 4 Cash and bank balances at the end of the year consist of cash on hand, cheques on hand and balance and deposits with banks as follows:

<b>PARTICULARS</b>	<b>31ST MARCH 2024</b>	<b>31ST MARCH 2023</b>
<u>Balances with banks</u>		
Current Accounts	260,155	170,892
Cash in hand	1,927,070	935,833
<b>Total</b>	<b>2,187,225</b>	<b>1,106,725</b>

"As per our report of even date"

For & on behalf of  
Gautam Sehgal & Company  
Chartered Accountants

PLAC: NEW DELHI  
DATED: 11/05/2024

Sd/-  
Gautam Sehgal  
  
(PARTNER)  
M No: 095938  
FRN: 015736N

Sd/-  
Bhagyashree  
Periwal  
(Company  
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M No: A 50954

Sd/-  
Kanav Gupta  
  
(CFO & Whole Time  
Director)  
DIN: 06802701

Sd/-  
Neeraj Kumar Aggarwal  
  
(Managing Director)  
DIN: 08058134



**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31st MARCH 2024**  
(Dated: 11/05/2024)

**3 Share capital**

(Amount in ₹)

Particulars	31st	March	31st March 2023
	2024		
<b>Authorised Share Capital</b>			
100,00,000 Equity Share of Rs. 10/- each	100,000,000		100,000,000
20,00,000 Preference Share of Rs. 100/- each	200,000,000		200,000,000
	<b>300,000,000</b>		<b>300,000,000</b>
<b>Issued, subscribed and fully paid up</b>			
30,000 Equity Share of Rs. 10/- each		300,000	300,000
63,00,000 Equity Share of Rs 10/- each	63,000,000		63,000,000
2276400 Equity shares of Rs. 10/- each	22,764,000		-
20,00,000 .01% Preference Share of Rs. 100/- each fully paid up	200,000,000		200,000,000
	<b>286,064,000</b>		<b>263,300,000</b>

**Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

**3.1**

Particulars	31st March 2023		31st March 2022	
	Equity	Preference	Equity	Preference
Opening Balance	6,330,000	2,000,000	30,000	-
Issued during the year	2,276,400	-	6,300,000	2,000,000
<b>Closing Balance</b>	<b>8,606,400</b>	<b>2,000,000</b>	<b>6,330,000</b>	<b>2,000,000</b>

### 3.2 Shares held by each shareholder holding more than 5% shares

Name of shareholders	31st March 2023		31st March 2022	
	Nos. of shares	% shares	Nos. of shares	% shares
Neeraj Kumar Aggarwal	1,730,700	20.11%	1,730,700	27.34%
Kanav Gupta	1,538,400	17.88%	1,538,400	24.30%
Shilpy Aggarwal	1,730,700	20.11%	1,730,700	27.34%
<b>Total</b>	<b>4,999,800</b>	<b>58.09%</b>	<b>4,999,800</b>	<b>78.99%</b>

Name of Preference shareholders	31st March 2023		31st March 2022	
	Nos. of shares	% shares	Nos. of shares	% shares
Sunstar Realty Development Ltd	1,000,000	50%	1,000,000	50%
MK Goenka Construction Pvt Ltd	1,000,000	50%	1,000,000	50%
<b>Total</b>	<b>2,000,000</b>	<b>100%</b>	<b>2,000,000</b>	<b>100%</b>

### 3.3 Shareholding of Promoters

Name of Promoter	No of shares	% shares	% change during the year
Neeraj Kumar Aggarwal	1,730,700	20.11%	-7.23%
Kanav Gupta	1,538,400	17.88%	-6.43%
Shilpy Aggarwal	1,730,700	20.11%	-7.23%
Deepali Aggarwal	192,300	2.23%	-0.80%
Riya Aggarwal	192,300	2.23%	-0.80%
Manoj Gupta	192,300	2.23%	-0.80%
Anju Gupta	192,300	2.23%	-0.80%
<b>Total</b>	<b>5,769,000</b>	<b>67.03%</b>	<b>-24.11%</b>

### 3.4 Rights, Preference and restrictions attached to shares

#### - Equity Shares

- (i) The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.
- (iii) The Company has come out with public issue wherein it has issued 22,76,400 equity shares of Rs. 10/- each at issue price of Rs. 101 each on 11th May 2023.

#### - Preference Shares

- (i) The Company has fully paid up 20 lacs .01% non convertible preference shares having a par value of Rs. 100 each.
- (ii) NCRCPs shall carry a pre-determined cumulative dividend rate of .01% per annum. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid to the Investors in priority to other classes of Shares.
- (iii) The Company shall redeem the NRCPS on or before 20 years from the date of Allotment at par on the Face Value of the preference Share with the approval of the Company and the Shareholder.
- (iv) NCRPS are not entitled to participate in addition to and after payment of preference dividend to participate pari passu in the surplus fund.
- (v) NCRCPs held by the Investor shall not be entitled to receive surplus assets and profit on winding up which may remain after entire capital has been repaid.
- (vi) Subject to applicable provision of the Companies Act, 2013, the holders of the preference share shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares) in accordance with Section 47 of the Companies Act, 2013.

### 3.5 Dividend

- (i) The Company has booked provision for dividend @0.01% on paid up preference share capital for Rs 20,000.

## 4 Reserves & Surplus

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
<b>Reserves</b>		
Securities Premium	207,152,400	-
<b>Surplus/(Deficit) in the statement of Profit &amp; Loss</b>		
Opening Balance	72,051,362	65,711,828

Add: Net Profit/(Net Loss) for the current year	86,580,504	69,359,534
Profit Available for appropriation	158,631,866	135,071,362
Less : Proposed Preference Dividend	20,000	8,333
Less : Preference Dividend Paid	-	11,667
Less : Bonus Issue	-	63,000,000
Closing Balance	158,611,866	72,051,362
<b>Total</b>	<b>365,764,266</b>	<b>72,051,362</b>

#### 5 Long Term Borrowings

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
Secured Term Loan from Banks	10,410,255	16,987,393
<b>Unsecured Loan</b>		
Loan from Related Parties	258,572,563	272,837,901
Loan from Others	59,471,845	56,349,933
<b>Total</b>	<b>328,454,663</b>	<b>346,175,227</b>

#### 6 Other Non Current Liabilities

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
Gratuity Payable	1,857,438	1,176,150
<b>Total</b>	<b>1,857,438.00</b>	<b>1,176,150.00</b>

**7 Short Term Borrowings**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
Bank Overdraft	248,346,075	244,806,020
Current Maturities of Long Term borrowings - from Banks	6,577,136	16,713,667
Security Deposit Received	20,000	-
<b>Total</b>	<b>254,943,211.00</b>	<b>261,519,687</b>

**8 Trade Payables**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
Micro, Small and Medium Enterprises	86,815,948	46,708,858
Others	33,121,194	323,735,579
<b>Total</b>	<b>119,937,142</b>	<b>370,444,437</b>

**9 Other Current Liabilities**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
Payables for Expenses	20,589,544	4,661,977
Statutory Liabilities	1,781,453	685,586
Staff Imprest	64,179	165,707
Advances from Customers	5,326,330	1,484,719
<b>Total</b>	<b>27,761,506</b>	<b>6,997,989</b>



**10 Short Term Provisions****(Amount in ₹)**

<b>Particulars</b>	<b>31st March 2024</b>	<b>31st March 2023</b>
Provision for Dividend	18,000	8,333
Provision for IT	45,800,000	24,450,985
<b>Total</b>	<b>45,818,000</b>	<b>24,459,318</b>

**11. Property, Plant & Equipment and Intangible Assets**

 (Amount  
in ₹)

Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	01-Apr-23	Additions	Deletions/ Adjustment	31-Mar-24	01-Apr-23	Deletions/ Adjustment	Dep for the year	31-Mar-24	31-Mar-24	31-Mar-23
Computers	1,277,446	96,695	-	1,374,141	1,056,049	-	182,374	1,238,423	135,718	221,397
Furniture & Fittings	1,453,642	1,174,474	-	2,628,116	716,413	-	259,883	976,296	1,651,820	737,229
Plant & Machinery	2,654,286	287,807	-	2,942,093	997,701	-	335,362	1,333,063	1,609,030	1,656,585
Motor Cars	29,182,997	-	-	29,182,997	7,953,538	-	6,629,960	14,583,498	14,599,499	21,229,459
Motor Cycle	-	84,358	-	84,358	-	-	6,881	6,881	77,477	-
Office Equipments	4,523,791	1,594,770	-	6,118,561	3,046,817	-	960,082	4,006,899	2,111,662	1,476,974
<b>Property, Plant &amp; Equipment</b>	<b>39,092,162</b>	<b>3,238,104</b>	<b>-</b>	<b>42,330,266</b>	<b>13,770,518</b>	<b>-</b>	<b>8,374,542</b>	<b>22,145,060</b>	<b>20,185,206</b>	<b>25,321,644</b>
<b>Intangible Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Capital WIP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>39,092,162</b>	<b>3,238,104</b>	<b>-</b>	<b>42,330,266</b>	<b>13,770,518</b>	<b>-</b>	<b>8,374,542</b>	<b>22,145,060</b>	<b>20,185,206</b>	<b>25,321,644</b>
Previous Year	28,434,519	13,490,751	2,833,108	39,092,162	8,114,160	2,173,012	7,829,370	13,770,518	25,321,644	20,320,360

**12 Deferred Tax Assets**

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
DTA on Fixed Assets and Other Timing Differences	13,996,105	1,537,011
<b>Total</b>	<b>13,996,105</b>	<b>1,537,011</b>

**13 Other Non Current Assets**

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
Security Deposits	6,829,818	4,336,000
<b>Total</b>	<b>6,829,818</b>	<b>4,336,000</b>

**14 Inventories**

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
Stock-in-Trade	856,844,855	877,310,579
<b>Total</b>	<b>856,844,855</b>	<b>877,310,579</b>

**15 Trade Receivables**

(Amount in ₹)

Particulars	31st March 2024	31st March 2023
Unsecured, considered good	377,395,166	335,977,704
Unsecured, considered doubtful	-	-
<b>Total</b>	<b>377,395,166</b>	<b>335,977,704</b>

**16 Cash and Cash Equivalents**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
<b>Balances with banks</b>		
Current Accounts	260,155	170,892
Cash in hand	1,927,070	935,833
<b>Total</b>	<b>2,187,225</b>	<b>1,106,725</b>

**17 Short Term Loan and Advances**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
Prepaid Expenses	898,326	630,645
Advance IT	16,350,000	5,100,000
Advances to Suppliers	107,836,197	22,370,831
Other Advances	39,806	965,552
<b>Total</b>	<b>125,124,329</b>	<b>29,067,028</b>

**18 Other Current Assets**
**(Amount in ₹)**

Particulars	31st March 2024	31st March 2023
GST Input	27,861,418	71,142,785
TDS Receivable	175,488	203,185
TCS Receivable	616	121,509
<b>Total</b>	<b>28,037,522</b>	<b>71,467,479</b>

**19 Revenue from Operations**
**(Amount in ₹)**

Particulars	31st	March	31st March 2023
	2024		
Sale of Goods	1,096,740,880		950,430,735
Export Sales	1,234,646		82,028
<b>Total</b>	<b>1,097,975,526</b>		<b>950,512,763</b>

**20 Other Income**
**(Amount in ₹)**

Particulars	31st	March	31st March 2023
	2024		
FXPC Difference	27,118		1,798
Duty Drawback	13,020		1,052
Interest Income	6,376		-
Credit Balance written off	17,778,859		-
Profit on FA Sale	-		455,986
Other Income	-		1,000
Short & Excess	24,685		29,425
<b>Total</b>	<b>17,850,058</b>		<b>489,261</b>



**Changes in Inventories of Finished Goods, Work-In- Progress and Stock-In-**

**21 Trade**

(Amount in ₹)

<b>Particulars</b>	<b>31st 2024</b>	<b>March 31st March 2023</b>
Opening Stock		
Stock-in-Trade	877,310,579	539,430,478
Less : Closing Stock		
Stock-in-Trade	856,844,855	877,310,579
<b>Net Change</b>	<b>20,465,724</b>	<b>(337,880,101)</b>

**22 Employee Benefits Expenses**

(Amount in ₹)

<b>Particulars</b>	<b>31st 2024</b>	<b>March 31st March 2023</b>
Staff Salary	26,470,780	23,865,780
Director's Sitting Fees	118,500	-
Director's Remuneration	5,520,000	4,680,000
Bonus	1,555,889	1,715,238
Gratuity	681,288	794,674
Leave Encashment	321,971	271,419
Staff Welfare Expenses	454,517	309,395
<b>Total</b>	<b>35,122,945.00</b>	<b>31,636,506</b>

**23 Finance Costs**

(Amount in ₹)

Particulars	31st 2024	March	31st March 2023
Loan Charges	244,100		477,540
Interest on Loan	17,224,356		3,338,482
Interest on OD/CC Limit	17,500,722		15,495,872
<b>Total</b>	<b>34,969,178</b>		<b>19,311,894</b>

**24 Other Expenses**

(Amount in ₹)

Particulars	31st 2024	March	31st March 2023
Advertisement Expenses	2,392,417		1,206,820
Audit Fee	600,000		300,000
Bank Charges	155,821		26,689
Business Promotion Expenses	16,344,344		9,800,209
Commission & Brokerage	9,657,148		5,413,002
Copyright & Trade Mark	22,500		-
Custom Duty	124,486		16,789
CSR Expense	1,625,000		-
Conveyance	12,902		171,241
Discount Allowed	12,258,339		7,153,995
E-Sales Expense	373,370		12,304
Electricity Expenses	1,554,282		1,296,300

Factory Expenses	-	8,495
Festival Expenses	144,690	208,820
Freight & Cartage	5,920,863	3,787,288
Import Expense	72,657	758
Insurance Expenses	946,132	871,248
ITC Reversal	2,716,004	-
Late Fees & Penalties	22,717	3,112
Logistic Expenses	1,289,976	1,980,835
Listing Expenses	-	90,000
Membership & Subscription	113,000	39,550
Mobile & Telephone Expenses	235,374	99,400
Other Expenses	-	19,359
Office Expenses	143,889	123,361
Other Selling & Distribution Expenses	-	237,742
Packing Expenses	3,541,801	3,289,398
Postage & Courier Expenses	829,764	406,829
Printing & Stationery Expenses	2,131,789	897,533
Professional Fee Expenses	1,645,209	1,835,449
Rent Expenses	16,632,800	13,929,500
Repair & Maintenance Expenses	3,254,924	4,812,974
Rates & Taxes	330,244	2,715,831
Miscellaneous expenses	759,541	52,783
Tour & Travel Expenses	3,172,281	1,360,877

Vehicle Running & Maintenance Expenses	555,585	461,575
Website Expenses	240,623	203,500
<b>Total</b>	<b>89,820,472</b>	<b>62,833,566</b>

## 25 Earnings Per Share

Particulars	31st March 2024 (Rupees)	31st March 2023 (Rupees)
Net profit/(loss) for calculation of Basic EPS	86,580,504	69,359,534
Weighted average number of equity shares	8,356,932	6,330,000
<b>Basic EPS ( In Rupees)</b>	<b>10.36</b>	<b>10.96</b>
Effect of Dilution	-	-
<b>Diluted EPS (In Rupees)</b>	<b>10.36</b>	<b>10.96</b>

## 26 Accounting Ratios

S.No.	Name of Related Parties	31st March 2024	31st March 2023	Change in %	Reason for change
a)	Current Ratio	3.10	1.98	56.33%	Current ratio has improved as the company has paid off creditors during the year.

b)	Debt-Equity Ratio	0.89	1.81	-50.61%	Debt equity ratio has been reduced as company has increased capital through Public issue
c)	Debt Service Coverage Ratio	9.86	3.62	172.20%	Ratio has improved as company's profitability has improved during the year.
d)	Return on Equity Ratio	13.28%	20.68%	-35.78%	ROE has been reduced as company has increased capital through Public issue
e)	Inventory Turnover Ratio	0.95	1.04	-8.38%	
f)	Trade Receivables Turnover Ratio	3.08	2.78	10.65%	
g)	Trade Payables Turnover Ratio	3.29	2.96	11.00%	
h)	Net Capital Turnover Ratio	1.17	1.46	-20.03%	
i)	Net Profit Ratio	7.76%	7.29%	6.39%	
j)	Return on Capital employed	12.66%	11.88%	6.57%	
k)	Return on Investment	11.26%	9.57%	17.68%	



## 27 Related Party Transactions

As required by Accounting Standard - AS 18 "Related Parties Disclosure" the disclosure are as follows:

### A. Name of all related parties whether transaction with them done or not during the previous year :

Name	Relation
Kanav Gupta	CFO & Whole Time Director
Neeraj Kumar Aggarwal	Managing Director
Shilpy Aggarwal	Whole Time Director
Deepali Aggarwal	Director's Relative
Riya Aggarwal	Director's Relative
Aarti Arora	Director
Rajesh Gupta	Director
Dhikash	Director
Buy and Buy Retailing	Director's Relative Firm

### B. Summary of transactions with related parties is as follows: (Amount in ₹)

Name of Related Parties	Nature of Transaction	31st March 2024	31st March 2023
Kanav Gupta	Loan Taken	117,671,500	-
Kanav Gupta	Loan Repayment	53,660,000	3,220,000
Kanav Gupta	Director Remuneration	1,200,000	600,000
Kanav Gupta	Interest on Loan	751,533	-
Neeraj Kumar Aggarwal	Loan Taken	88,866,600	120,235,575
Neeraj Kumar Aggarwal	Loan Repayment	148,637,143	65,252,197
Neeraj Kumar Aggarwal	Director Remuneration	2,400,000	2,280,000
Neeraj Kumar Aggarwal	Rent	1,800,000	2,440,000
Neeraj Kumar Aggarwal	Interest on Loan	6,159,406	-
Shilpy Aggarwal	Loan Taken	14,610,000	6,565,575
Shilpy Aggarwal	Loan Repayment	33,116,295	6,056,767
Shilpy Aggarwal	Director Remuneration	1,920,000	1,800,000
Shilpy Aggarwal	Rent	3,000,000	3,000,000
Shilpy Aggarwal	Interest on Loan	1,837,443	-
Kanav Gupta	Reimbursement of Expenses	-	128,861

Neeraj Kumar Aggarwal	Reimbursement of Expenses	of	-	927,495
Riya Aggarwal	Reimbursement of Expenses	of	-	25,000
Shilpy Aggarwal	Reimbursement of Expenses	of	10,500	-
Deepali Aggarwal	Bonus		125,000	100,000
Riya Aggarwal	Bonus		125,000	100,000
Deepali Aggarwal	Salary		1,500,000	1,169,240
Riya Aggarwal	Salary		1,500,000	1,200,000
Buy and Buy Retailing	Staff welfare Exp (Purchase of food item for staff)		13,175	-
Aarti Arora	Sitting Fees		49,500	-
Rajesh Gupta	Sitting Fees		22,500	-
Dhikash	Sitting Fees		46,500	-

**C. Summary of balances with related parties as on year end is as follows: (Amount in ₹)**

Name of Related Parties	Account	31st March 2024	31st March 2023
Kanav Gupta	Loan from Related Parties	91,472,563	27,461,063
Neeraj Kumar Aggarwal	Loan from Related Parties	132,364,152	192,134,695
Shilpy Aggarwal	Loan from Related Parties	34,735,848	53,242,143
Kanav Gupta	Interest Payable	676,380	-
Neeraj Kumar Aggarwal	Interest Payable	5,543,465	-
Shilpy Aggarwal	Interest Payable	1,653,699	-
Kanav Gupta	Salary Payable	187,222	138,551
Neeraj Kumar Aggarwal	Salary Payable	285,487	190,000
Shilpy Aggarwal	Salary Payable	195,103	77,000
Deepali Aggarwal	Salary Advances		79,760
Riya Aggarwal	Salary Payable	205,000	180,000
Deepali Aggarwal	Salary Payable	205,000	
Aarti Arora	Sitting Fee Payable	23,400	-
Rajesh Gupta	Sitting Fee Payable	13,750	-
Dhikash	Sitting Fee Payable	20,700	-

The above related party transactions have been reviewed periodically by the Board of Directors of the Company vis-à-vis the applicable provisions of the Companies Act, 2013, and justification of the rates being charged/ terms thereof and approved the same.

## 28 Employee Benefits

The Company has classified the various benefits provided to employees as under:-

### (a) Defined contribution plans

-Provident fund

During the year, the Company has recognized Employer's contribution to provident fund amounting to Rs. 12,52,305 in the Statement of Profit and Loss .

### b) Defined benefit plans

-Contribution to Gratuity funds

In accordance with Accounting Standard 15 (revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans based on the following assumptions-

#### Economic Assumptions

The discount rate and salary growth rate are the key financial assumptions and should be considered together; it is the difference or 'gap' between these rates which is more important than the individual rates in isolation.

#### Discount Rate

The discounting rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & salary growth rate. For the current valuation a discount rate of 7.22% p.a. compound, has been used in consultation with the employer.

#### Salary Growth Rate

The salary growth rate usually consists of at least three components, viz. seniority, regular increments and promotional increase and price inflation. The assumptions used are summarised in the following table:

Particulars	Gratuity (unfunded)	Gratuity (unfunded)
Particulars	31st March 2024	31st March 2023
	( Amount in Rs.)	( Amount in Rs.)
Discount rate(per annum)	7.22%	7.36%
Future salary increase	6.00%	6.00%
Expected rate of return on plan assets	0.00%	0.00%
Mortality Table		

	100% of IALM (2012-14) 60 years	100% of IALM (2012-14) 60 years
Retirement age		
Withdrawal rates		
Upto 30 years	5.00%	5.00%
31-44 Years	3.00%	3.00%
Above 44 Years	2.00%	2.00%
<b>1. Expenses recognised in the statement of profit and loss</b>		
Current service cost	768,704	750,627
Past service cost		-
Interest cost	86,565	27,390
Expected return on plan assets		-
Net actuarial(gain)/loss recognised in the year	(173,981)	16,657
<b>Total expenses</b>	<b>681,288</b>	<b>794,674</b>
<b>2. Net asset/(liability) recognised as at the end of the year</b>		
Present value of defined benefit obligation	1,857,438	1,176,150
Fair value of plan assets		-
Funded status [surplus/(deficit)]	(1,857,438)	(1,176,150)
<b>Net asset/(liability) as at the end of the year</b>	<b>(1,857,438)</b>	<b>(1,176,150)</b>
<b>3. Change in the present value of obligation during the year</b>		
Present value of obligation as at the beginning of the year	1,176,150	381,476
Interest cost	86,565	27,390
Past service cost	-	-
Current service cost	768,704	750,627
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(173,981)	16,657
<b>Present value of obligation as at the end of the year</b>	<b>1,857,438</b>	<b>1,176,150</b>

## 29 Contingent Liabilities And Commitments

A.	Contingent Liabilities	NIL
B.	Commitments	NIL

## 30 Segment Reporting

The company has only one reportable business segment which is wholesale trading of hardware tools. The entire operations are governed by the same set of risks and return hence have been considered as representing a single segment. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standards Segment Reporting AS 17.

## 31 Impairment

The Company has not recognised any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on 'Impairment of Assets', since in the opinion of the management of the Company, the reduction in value of any asset if any, to the extent required, has already been provided for in the books.

## 32 Dues to MSME as defined under THE MSME ACT 2006

As per the information available and explanations provided to us and certified by the management, amount of Rs. 86,815.95 Thousand is due to any Micro, Small and Medium Enterprises out of which Rs. 45,253.58 Thousand is outstanding for more than 45 days.

## 33 Taxation

- (i) Provision for income tax is based on tax on taxable income calculated as per provisions of the Income Tax Act, 1961.
- (ii) The Company has created deferred tax of ₹ 12,459.09 Thousand during the current year by charging to the Statement of Profit and Loss and resulting in a net deferred tax asset of ₹ 13,996.10 Thousand as at March 31, 2024.



### 34 Foreign Exchange Disclosures

		31st March 2024	31st March 2023
		(Amount in Lacs)	(Amount in Lacs)
(a)	Value of Export		
	- Goods	1,234.65	82.03
(b)	Value of imports calculated on CIF basis	971.33	126.16
(c)	Expenditure in foreign currency	116.56	-
(d)	Earnings in foreign currency	-	-
(e)	Foreign Currency Receipts	1,252.27	82.03
(f)	Foreign Currency Payments	2,370.38	-
(g)	Exchange Difference Income/(expense)	27.12	1.80

### 35 Other Notes

- a) Debit and credit balances of trade payables, trade receivables, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties as at March 31, 2024.
- b) Value of current assets, loans and advances  
As per the requirement of Schedule III, the Board of Directors have considered the values of all assets of the Company other than fixed assets, and have come to a conclusion that these have a value on realisation in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- c) Past years TDS, TCS have been adjusted in the books. The same has been adjusted as per the various Assesment Orders. The amount to be recovered from the Income Tax Authority has been shown under the head 'Loans and Advances'.
- d) Previous year figures have been regrouped and rearranged whenever necessary to make them comparable.
- e) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

- f) The company has not owned any immovable property as at balance sheet date.
- g) The company has not revalued its Property, Plant and Equipment during the year.
- h) The company has not given any Loans or Advances to its promoters, directors or related parties.
- i) The company does not have any benami property, where any proceedings has been initiated or pending against the company for holding any benami property.
- j) The company has availed discounting of purchase bills facility from SG Finserve Limited, a listed registered NBFC which has been shown as Unsecured Loan from other than related parties in the audited financials.
- k) The financial results of the company has been reviewed and recommended by the audit committee and approved by the board of directors in their meeting held on 11th May 2024.
- l) The Financial Results for the half year and year ended on 31st March 2024 have been prepared by the company in accordance with the Accounting Standards ("AS") prescribed under Section 133 of the Companies Act 2013 read with relevant Rules issued there under and in terms of the Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015 (as amended) and have expressed an unmodified opinion thereon.
- m) The Company had come out with an initial public offer wherein it had issued 22,76,400 equity shares of Rs. 10/- each at a premium of Rs. 91/- each and got listed on the Emerge platform of the National Stock Exchange of India Limited on 11th May 2023. The company has fully utilized the funds for the objects for which the amount was raised and there was no deviation.
- n) As per the Ministry of Corporate Affairs Notification dated February 16, 2015, Companies whose securities are listed on SME Exchange as referred to in Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [ICDR, 2009] are exempted from the compulsory requirement of adoption of Ind AS.
- o) Figures for the half-year ended March 31, 2024 and March 31, 2023 represent the difference between the audited figures in respect of full financial year and the unaudited published figures of half-year ended September 30, 2023 and September 30, 2022 respectively.
- p) The above results are also available on our website <http://www.deneerstools.com>
- q) No Investor Complaints pending at beginning of the Period and no complaint were received during the Period and pending for disposal at the end of the Period.

- r) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are not in agreement with the books of accounts and summary of reconciliation and reasons of material discrepancies is attached as Annexure 1.
- s) The Company is not declared wilful defaulter by and bank or financial institution or lender during the year.
- t) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- u) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- v) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- w) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- x) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- y) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- z) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**Signatures to Notes 1 to 35 of  
Financial Statements**

"As per our report of even date"

PLAC: NEW DELHI  
DATED: 11/05/2024

For & on behalf of  
Gautam Sehgal & Company  
Chartered Accountants

Sd/-  
Gautam Sehgal  
  
(PARTNER)  
M No: 095938  
FRN: 015736N

Sd/-  
Bhagyashree  
Periwal  
(Company  
Secretary)  
M No: A 50954

Sd/-  
Kanav Gupta  
  
(CFO & Whole Time  
Director)  
DIN: 06802701

Sd/-  
Neeraj Kumar Aggarwal  
  
(Managing Director)  
DIN: 08058134

**ANNEXURE 1**

Summary of reconciliation and reasons of material discrepancies between books and quarterly statement filed by bank is as under :

S.No.	Particulars	Amount as per BS (Amount in ₹)	Amount declared with bank (Amount in ₹)	Difference (Amount in ₹)	Reason for Difference
1	<b>Jun-23</b>	813,825,155	798,038,993	15,786,162	On account of mistake in compiling and reconciling the data at the time of preparation of stock statement
2	<b>Sep-23</b>	810,579,796	787,824,663	22,755,133	
3	<b>Dec-23</b>	846,084,199	840,789,162	5,295,037	
4	<b>Mar-24</b>	856,844,855	856,851,962	-7,107	



## AGING SCHEDULE - 31ST MARCH 2024

### 8.1 Trade Payables (Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	86,815,948	-	-	-	86,815,948
(ii) Others	27,552,461	5,568,733	-	-	33,121,194
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
<b>Total</b>	<b>114,368,409</b>	<b>5,568,733</b>	<b>-</b>	<b>-</b>	<b>119,937,142</b>

### 15.1 Trade Receivables (Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	285,915,424	43,180,188	48,255,519	44,035	-	377,395,166
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
<b>Total</b>	<b>285,915,424</b>	<b>43,180,188</b>	<b>48,255,519</b>	<b>44,035</b>	<b>-</b>	<b>377,395,166</b>



# Contact Us

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