

INDEPENDENT AUDITORS' REPORT

To
The Members of
Sterling Abrasives Limited
Ahmedabad

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the standalone financial statements of **Sterling Abrasives Limited** ("the Company"), which comprise the Balance Sheet as at **31st March, 2024**, and the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2024, its profit including Other Comprehensive income, its Cash flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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



Information other than the Financial Statements and Auditors' Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures and Corporate Governance Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibility of Management and Those charged with Governance for the Standalone Financial Statements

5. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.



Auditors' Responsibilities for the Audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
8. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for our resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



9. 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.
10. 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.
11. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

12. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The financial statements dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with accounting standards specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial control with reference to financial statements of the Company and the operating effectiveness of such controls, refer our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



J. T. SHAH & CO.

CHARTERED ACCOUNTANTS

- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as mentioned at para (iv)(i) and (iv)(ii) above, contain any material mis-statement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.
- vi. Based on our examination, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and that has operated for part of the year from November 6, 2023 to March 31, 2024, for all relevant transactions recorded in the software. Further, during the course of our audit, we did not notice any instance of the audit trail feature being tampered with.

Place: Ahmedabad
Date :18/04/2024



For, J. T. Shah & Co.
Chartered Accountants,
[Firm Regd. No. 109616W]

(A.R. Pandit)
Partner

[M. No. 127917]

UDIN: 24127917BKMFG502

STERLING ABRASIVES LIMITED
ANNEXURE-A TO THE AUDITORS REPORT

Referred to in paragraph 12 under "Report on Other Legal and Regulatory Requirements" section of our Report to the Members of **STERLING ABRASIVES LIMITED** for the year ended 31st March, 2024.

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

1. In respect of Property, Plant and Equipment :

- (a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipments.

(ii) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- (b) The property, plant and equipment were physically verified by the Management according to a phased programme at regular interval intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, property, plant and equipments have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
- (d) The Company have not revalued its Property, Plant & Equipments or intangible assets during the year.
- (e) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.

2. In respect of its Inventories:

- (a) The physical verification of inventories has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by management is appropriate and no material discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification of inventories.
- (b) The company has been sanctioned working capital limit in excess of Rs.5.00 Crores in aggregate on the basis of security of current assets. Copies of quarterly statement and return, furnished to bank have also been made available for our verification. We have verified the same on random sampling basis and found the same in agreement with books of accounts. Discrepancies noticed during the verification, were reasonably explained by the management.



STERLING ABRASIVES LIMITED

3. **In respect of Loans and Advances granted during the year:**
During the year, the company has not made any investments in, 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 covered in the register maintained under section 189 of the Companies Act, 2013 and therefore the clauses 3(iii) (a) to (f) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
4. **Loans, Investments and Guarantees:**
The provisions of section 185 and 186 of the Companies Act, 2013 are not applicable. Therefore, clause 3(iv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.
5. **In respect of Deposits:**
The company has not accepted any deposits or amount which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company. Accordingly, clause 3(v) of Companies (Auditor's Report) Order, 2020 is not applicable.
6. **In Respect of Cost Records:**
According to the information and explanations given to us, the company is not required to maintain cost records as required by the central government under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, clause 3(vi) of Companies (Auditor's Report) Order, 2020 is not applicable.
7. **In respect of Statutory Dues :**
- (a) According to the information and explanations given to us, the Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, cess and any other material statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect statutory dues were outstanding as at 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) There were no dues of Goods and Service Tax, Provident Fund, Employees State Insurance, Duty of Customs, cess which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax and duty of excise which have not been deposited on account of disputes and the forum where the dispute is pending are as follows:

Name of the Statute	Nature of the Dues	Year	Amount (Rs. In Lakhs)	Forum where dispute is pending
Central Sales Tax Act	Sales Tax Demand	1986-87 to 1991-92	12.71	Commissioner Of Sales Tax (Appeals)
Central Excise Act, 1944	Excise Duty Demand	1995-96	0.18	Dy. Commissioner Of Central Excise

8. **In Respect of Undisclosed Income Discovered in Income tax Assessment:**
There were no transactions that were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, clause 3(viii) of Companies (Auditor's Report) Order, 2020 is not applicable to the company.



STERLING ABRASIVES LIMITED

9. In respect of Repayment of Loans:

- (a) In our Opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
- (b) The company is not declared as willful defaulter by any bank or financial institution or other lenders.
- (c) During the year under consideration, the company has not taken any new term loan or disbursement of term loan.
- (d) On an overall examination of the financial statement of the company, prima facie, the company has not utilized any funds raised on short term basis for long term purpose.
- (e) The company has not taken any funds from any entity or person to meet obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3 (ix)(e) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (f) The company has not has raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, clause 3 (ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

10. In Respect of Public Offerings:

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3 (x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, clause 3(x)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

11. (a) As represented to us by the management and to the best of our knowledge, no fraud by the Company or no material on the company has been noticed or reported during the year.

(b) As informed to us by the management and to the best of our knowledge, no report under sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Auditor and Auditor) Rules 2014 with the Central Government during the year and up to the date of this report.

(c) As represented to us by the management, there were no whistle-blower complaints were received during the year and up to the date of this report by the company.

12. As the company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable to it. Accordingly, provisions of clause (xii) (a) to (c) of the Company's (Auditor's Report) Order, 2020 are not applicable to the Company.

13. The company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Companies Act 2013 where applicable and the details of related part transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosure" specified under section 133 of the act



STERLING ABRASIVES LIMITED

14. **In Respect of Internal Audit:**
- (a) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business of the company.
 - (b) We have considered the report of the internal auditor for the period under audit received till date of this report.
15. The Company has not entered in to any non-cash transactions with its directors or persons connected with him. Accordingly, clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
16. **In Respect to the Provisions of Reserve Bank of India Act 1934:**
- (a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi)(a) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (b) The company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause (xvi)(b) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause (xvi)(c) & (d) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
17. The Company has not incurred any cash losses in the financial year under audit and immediately preceding financial year. Accordingly, clause (xvii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
18. There has been no resignation of the statutory auditors during the year under consideration. Accordingly, clause (xviii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
19. 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.



STERLING ABRASIVES LIMITED

20. According to the information and explanation given to us and the records of the company examined by us, there was no unspent amount required to be transferred to special account as required by Section 135 of the Companies Act, 2013. Accordingly, provisions of sub clause (a) and (b) of clause (xx) of the Company's (Auditor's Report) Order, 2020 are not applicable to the company.

Place: Ahmedabad

Date: 18/04/2024



For, J. T. Shah & Co.
Chartered Accountants,
[Firm Regd. No. 109616W]

(A.R. Pandit)
Partner

[M. No. 127917]

UDIN: 24127917 BKBIMF9502

STERLING ABRASIVES LIMITED

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13(f) of Report on Other Legal and Regulatory Requirements section of our Report to the Members of **STERLING ABRASIVES LIMITED** of even date.

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

Opinion

We have audited the internal financial controls over financial reporting of **STERLING ABRASIVES LIMITED** as of **31st March 2024**, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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.

Auditors' Responsibility

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

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



STERLING ABRASIVES LIMITED

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Place: Ahmedabad

Date: 18/04/2024



For, J.T. Shah & Co.

Chartered Accountants

(Firm Regd. No - 109616W)

(A.R. Pandit)

Partner

[M. No. 127917]

UDIN: 24127917BK BIMF9502

STERLING ABRASIVES LIMITED

Balance Sheet As at 31/03/2024

Particulars		Note No.	As at 31/03/2024 Rs. in Lakhs	As at 31/03/2023 Rs. In Lakhs
A	ASSETS			
1	Non-current assets			
	Property, Plant & Equipment and Intangible Assets			
	(a) Property, Plant and Equipment	3A	8,363.07	7,942.71
	(b) Capital work-in-progress	3B	39.25	192.50
	(c) Intangible assets	3C	24.61	21.86
	(d) Right-of-use Assets	3D	525.23	536.48
	(e) Financial Assets			
	(i) Other Financial Assets	4	72.22	128.84
	(f) Other non-current assets	5	75.15	60.89
	Total Non - Current Assets		9,099.53	8,883.28
2	Current assets			
	(a) Inventories	6	2,814.98	2,573.51
	(b) Financial Assets			
	(i) Trade receivables	7	2,999.89	2,957.32
	(ii) Cash and Cash Equivalent	8	44.11	28.94
	(iii) Bank Balance other than (ii) above	9	64.27	18.00
	(iv) Other Financial assets	10	1.24	1.79
	(c) Other current assets	11	63.17	30.34
	Total Current Assets		5,987.66	5,609.90
	Total Assets		15,087.19	14,493.18
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share capital	12	90.00	90.00
	(b) Other Equity	13	9,688.96	8,840.51
	Total Equity		9,778.96	8,930.51
	LIABILITIES			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	14	1,475.14	2,377.56
	(b) Provisions	15	116.14	118.82
	(c) Deferred tax liabilities (Net)	16	166.08	73.50
	Total Non - Current Liabilities		1,757.36	2,569.88
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	17	1,878.61	961.97
	(ii) Trade payables	18		
	(A) Total outstanding dues of micro enterprises and small enterprises		129.00	147.59
	(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,039.50	1,265.68
	(iii) Other financial liabilities	19	232.98	434.01
	(b) Other current liabilities	20	217.85	105.05
	(c) Provisions	21	6.87	7.31
	(d) Current Tax liabilities (Net)	22	46.06	71.18
	Total Current Liabilities		3,550.87	2,992.79
	Total Equity and Liabilities		15,087.19	14,493.18

As per our report of even date attached herewith.

For, J. T. Shah & Co

Chartered Accountants

(Firm Regd. No. 109616W)

(A. R. Pandit)

Partner

(M.No. 127917)

Place : Ahmedabad

Date : 18/04/2024



For & on behalf of the Board of Directors of

Sterling Abrasives Limited

(R. Srinivasan)

Chairman

(DIN: 00043658)

Place : Ahmedabad

Date : 18/04/2024

(Nirav Parikh)

Managing Director

(DIN: 00042146)

Place : Ahmedabad

Date : 18/04/2024

STERLING ABRASIVES LIMITED



Statement of Profit and Loss for the Year ended 31/03/2024

Particulars	Note No.	Year Ended 31/03/2024 Rs. in Lakhs	Year Ended 31/03/2023 Rs. in Lakhs
INCOME			
I Revenue from operations	23	14,307.50	13,983.34
II Other Income	24	15.66	6.54
III Total Income (I + II)		14,323.16	13,989.88
EXPENSES			
(a) Cost of materials consumed	25	4,873.49	4,977.75
(b) Purchases of Stock in Trade	26	235.50	166.71
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	27	(55.93)	(137.47)
(d) Employee benefit expense	28	2,229.11	1,886.99
(e) Finance costs	29	282.29	98.44
(f) Depreciation and amortisation expense	30	679.67	396.39
(g) Other expenses	31	4,135.54	4,400.29
IV Total Expenses		12,379.67	11,789.10
V Profit before tax (III- IV)		1,943.49	2,200.78
VI Tax Expense			
(1) Current tax	32	470.21	580.65
(2) Deferred tax (Asset)/Liability	32	91.23	(25.39)
(3) Short/(Excess) Provision of earlier years		(1.72)	(2.32)
Total tax expense		559.72	552.94
VII Profit for the year (V - VI)		1,383.77	1,647.84
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		0.79	(7.07)
(b) Equity instruments through other comprehensive income		Nil	Nil
(ii) Income tax relating to items that will not be reclassified to profit or loss		Nil	Nil
B (i) Items that will be reclassified to profit or loss			
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		5.17	(3.35)
(ii) Income tax on items that may be reclassified to profit or loss		(1.30)	0.84
Total Other Comprehensive income (VIII A + VIII B)		4.66	(9.58)
IX Total comprehensive income for the year (VII+VIII)		1,388.43	1,638.26
X Basic & diluted earnings per share of face value of Rs.100 each Fully Paid up in Rs.			
(1) Basic	36	1,537.52	1,830.93
(2) Diluted	36	1,537.52	1,830.93

As per our report of even date attached herewith.

For, J. T. Shah & Co

Chartered Accountants
(Firm Regd. No. 109616W)

(A. R. Pandit)

Partner

(M.No.127917)

Place : Ahmedabad

Date : 18/04/2024



For & on behalf of the Board of Directors of
Sterling Abrasives Limited

(R. Srinivasan)

Chairman

(DIN: 00043658)

Place : Ahmedabad

Date : 18/04/2024

(Nirav Parikh)

Managing Director

(DIN: 00042146)

Place : Ahmedabad

Date : 18/04/2024

STERLING ABRASIVES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31/03/2024

(Rs. in Lakhs)

	31/03/2024	31/03/2023
A Cash from Operating Activity		
Net Profit Before Tax	1,943.49	2,200.78
Non Cash Adjustment to reconcile profit before tax to net cash flows		
Depreciation	679.67	396.39
Bad Debts Recovered	Nil	Nil
(Profit)/Loss on sale of Property, Plant & Equipment (net)	36.25	Nil
Finance Cost	282.29	98.44
Expected Credit Loss (Net)	48.07	4.27
	1,046.28	499.10
Dividend Income	Nil	Nil
Interest Income	(6.29)	(4.47)
	(6.29)	(4.47)
Adjustment for Movements in Working Capital:		
Increase/(decrease) in trade Payables	(244.71)	61.19
Increase/(decrease) in Non Current Liability Provisions	(1.89)	10.13
Increase/(decrease) in Current liability Provisions	(0.44)	(0.02)
Increase/(decrease) in other current liability	112.80	14.64
Increase/(decrease) in other current Financial liability	15.69	(19.79)
Increase/(decrease) in Non Current liability	Nil	Nil
Decrease/(increase) in trade receivable	(90.63)	(178.84)
Decrease/(increase) in inventories	(241.47)	(465.39)
Decrease/(increase) in other non-current Financial assets	22.22	(46.42)
Decrease/(increase) in other non-current assets	Nil	0.01
Decrease/(increase) in other Financial Assets	0.55	9.93
Decrease/(increase) in other current assets	(33.08)	92.92
	(460.96)	(521.64)
CASH GENERATED FROM OPERATIONS	2,522.52	2,173.77
Direct Taxes paid	(493.61)	(520.38)
	(493.61)	(520.38)
NET CASH FLOW FROM OPERATIONS	2,028.91	1,653.39
B Cash flow from investing activities		
Payment for Property, Plant & Equipment (Incl. WIP)	(1,209.60)	(3,671.94)
Sale of Property, Plant & Equipment	9.25	Nil
Interest Received	6.54	2.38
Increase in Fixed Deposit	(11.87)	(17.00)
Dividend Income	Nil	Nil
NET CASH USED IN INVESTING ACTIVITY	(1,205.68)	(3,686.56)



STERLING ABRASIVES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31/03/2024

(Rs. in Lakhs)

	31/03/2024	31/03/2023
C Cash flow from financing activities		
Proceeds from Short Term Borrowing	431.23	55.55
Interest Paid	(274.38)	(98.45)
Proceeds from Long Term Borrowing	Nil	2,555.91
Repayment of Long Term Borrowing	(424.92)	Nil
Dividend paid on Equity Shares	(540.00)	(486.00)
NET CASH USED IN FINANCING ACTIVITY	(808.07)	2,027.01
Net Increase/(Decrease) in cash and cash equivalents	15.17	(6.16)
Opening Balance of Cash and cash equivalent	28.94	35.10
Closing Balance of Cash and cash equivalent	44.11	28.94
Net Increase/(Decrease) in cash and cash equivalents	15.17	(6.16)

Notes:

=> The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Statement of Cash Flow specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2015.

As per our report of even date

For, J. T. Shah & Co
Chartered Accountants
(Firm Regd. No. 109616W)

(A. R. Pandit)
Partner
(M.No.127917)
Place : Ahmedabad
Date : 18/04/2024



For & on behalf of the Board of Directors of
Sterling Abrasives Limited

(Signature of R. Srinivasan)

(R. Srinivasan)
Chairman
(DIN: 00043658)
Place : Ahmedabad
Date : 18/04/2024

(Signature of Nirav Parikh)

(Nirav Parikh)
Managing Director
(DIN: 00042146)
Place : Ahmedabad
Date : 18/04/2024

STERLING ABRASIVES LIMITED

Statement of Changes in Equity for the year ended on 31st March, 2024

Equity Share Capital

Particulars	Note No.	Rs. in Lakhs
Balance as on 1st April, 2022	12	90.00
Changes in Equity Share capital due to prior period Errors		Nil
Restated Balance as on 1st April, 2022	12	90.00
Changes in equity share capital during the year		Nil
Balance as on 31st March, 2023	12	90.00
Changes in Equity Share capital due to prior period Errors		Nil
Restated Balance as on 31st March, 2023	12	90.00
Changes in equity share capital during the year		Nil
Balance as on 31st March, 2024	12	90.00

Other Equity

Particulars	Note No.	Reserve & Surplus			Item of Other Comprehensive Income	Total
		Retained Earnings	Undistributable Retained Earnings	General Reserve	Hedge Reserve	
Balance as at 1st April, 2022	13	3,385.42	20.09	4,287.11	(4.38)	7,688.24
Profit for the year		1,647.85	Nil	Nil	Nil	1,647.85
Other comprehensive income for the year (net of Tax)		(7.07)	Nil	Nil	(2.51)	(9.58)
Total Comprehensive Income for the year		1,640.78	Nil	Nil	(2.51)	1,638.27
Payment of Dividends		(486.00)	Nil	Nil	Nil	(486.00)
Transfer to General Reserve		(250.00)	Nil	250.00	Nil	Nil
Balance as at 31st March, 2023	13	4,290.20	20.09	4,537.11	(6.89)	8,840.51
Profit for the year		1,383.79	Nil	Nil	Nil	1,383.79
Other comprehensive income for the year (net of Tax)		0.79	Nil	Nil	3.87	4.66
Total Comprehensive Income for the year		1,384.58	Nil	Nil	3.87	1,388.45
Payment of Dividends		(540.00)	Nil	Nil	Nil	(540.00)
Transfer to General Reserve		Nil	Nil	Nil	Nil	Nil
Balance as at 31st March, 2024	13	5,134.78	20.09	4,537.11	(3.02)	9,688.96

In terms of our report attached.

For, J. T. Shah & Co
Chartered Accountants
(Firm Regd. No. 109616W)

(A. R. Pandit)
Partner
(M.No.127917)

Place : Ahmedabad
Date : 18/04/2024

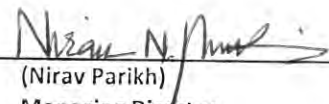


For & on behalf of the Board of Directors of
Sterling Abrasives Limited



(R. Srinivasan)
Chairman
(DIN: 00043658)

Place : Ahmedabad
Date : 18/04/2024



(Nirav Parikh)
Managing Director
(DIN: 00042146)

Place : Ahmedabad
Date : 18/04/2024

STERLING ABRESIVES LIMITED

1. Corporate Information

Company is a subsidiary of Carborundum Universal Ltd. Company is one of the Leading Manufacturer of Grinding Wheels, making full range of Vitrified & Resin Bonded Grinding Wheels. The company caters to major industries like auto, auto ancillary, bearings, steel, blades and knives & general engineering. Company also caters to the need of agro industries in terms of Cone Polisher, Dal Roller, Rice Rollers etc

2. MATERIAL ACCOUNTING POLICY INFORMATION

(i) Basis of preparation and presentation :

- a) The financial statements have been prepared within all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act,2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- b) The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

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

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

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



STERLING ABRESIVES LIMITED

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(ii) **Use of Estimates:**

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note.16 & 32- Current / Deferred tax liabilities

Note.28- Measurement of defined benefit obligations

Note.7- Expected credit loss for receivables

(iii) **Property, Plant and Equipment & Depreciation:**

a) **Property Plant and Equipment:**

All assets are stated in the Balance sheet at cost less accumulated depreciation and accumulated impairment loss. Freehold land is not depreciated.

Cost includes expenditure that is directly attributable to getting the asset ready for intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.



b) Capital work in progress:

Capital work in progress is stated at cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment. Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

c) Depreciation methods, estimated useful life and residual value:

Depreciation is recognised so as to write off the cost of assets (Other than free hold land) less their residual value over their useful lives as specified under schedule II using the straight line method. Depreciation is calculated on pro rata basis with reference to the date of addition/disposal. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss.

(iv) Intangible Assets and Amortisation :

a) Intangible Assets:

Intangible assets are measured on initial recognition at cost (net of recoverable taxes, if any). Subsequently, intangible assets are carried out at cost less any accumulated amortization and accumulated impairment losses, if any.

b) Amortisation methods, estimated useful life and residual value:

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the statement of Profit & Loss unless such expenditure forms part of carrying value of another asset.

(v) Impairment of non – financial assets

At each balance sheet date, the carrying values of the tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where there is an indication that there is a likely impairment loss for a group of assets, the company estimates the recoverable amount of the group of assets as a whole and the impairment loss is recognised.

(vi) Financial Instruments :

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



STERLING ABRESIVES LIMITED

1. Financial Assets:

i. Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (which are not measured at fair value) through profit or loss at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost.

ii. Subsequent measurement:

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

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company's business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.
 - i) **Financial assets measured at amortised cost :**

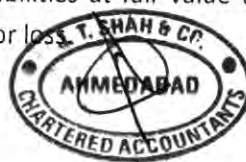
A financial asset is measured at amortised cost if both of the following conditions are met:

 - a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
 - b) The Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

ii) Financial assets at fair value through profit or loss (FVTPL):

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.



iii) **Financial assets at fair value through other comprehensive income (FVOCI):**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

Trade receivables, Advances, Security Deposits, Cash and Cash Equivalents etc. are classified for measurement at amortised cost.

iii. **Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - i) The company has transferred substantially all the risks and rewards of the asset, or
 - ii) The company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

iv. **Impairment of financial assets:**

At each reporting date the company assesses, whether a financial asset or group of financial assets is impaired. In accordance of Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. As a practical expedient, the company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense / income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.



2. Financial Liabilities:

i. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

i) Financial liabilities measured at amortised cost.

ii) Financial liabilities at fair value through profit or loss.

i) Financial liabilities measured at amortised cost :

Subsequently, all financial liabilities are measured at amortised cost except derivatives. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

ii) Financial liabilities at fair value through profit or loss (FVTPL):

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

iii. Derecognition:

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



(vii) **Inventories:**

The closing stock of raw materials, accessories and stores and spare parts are valued at lower of cost or net realisable value. Cost on weighted average basis including freight, taxes and duties net of various tax credit wherever applicable.

The closing stock of work in process and finished Goods is valued at lower of cost or net realizable value. Cost on weighted average include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

Spare parts (not meeting the definition of property, plant and equipment) are accounted as inventory and expensed to the statement of profit and loss when issued for consumption.

(viii) **Borrowing Cost :**

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings except the amount outstanding as on the balance sheet date of specific borrowings. Borrowing cost incurred actually on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(ix) **Statement of Cash flows:**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(x) **Revenue recognition :**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the transaction price for each separate performance obligation, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The transaction price is net of estimated customer returns, rebates and other similar allowances.

The specific recognition criteria described below must also be met before revenue is recognised.



STERLING ABRESIVES LIMITED

a) Sale of Goods

Revenue from the sale of goods is recognized at a point in time when the control of the products has transferred which generally coincides with dispatch of products to customers in case of domestic sales and on the basis of bill of lading in the case of export sales.

Revenue from the sale of goods is recognised when the control of the product is transferred, the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company has a present right to payment for the asset.
- The Company has transferred physical possession of the asset, whereby the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset or to restrict the access of other entities to those benefits.

When the consideration is received, before the Company transfers goods to the customer, the Company shall present the consideration as a contract liability.

b) Rendering of Services

Revenue from divisible service contracts:

- i) Service contracts are recognised over a period of time determined using the percentage completion method, synchronized to the billing schedules agreed by the customers, identical with others in similar business and
- ii) The revenue relating to supplies are measured in line with policy set out in 2(xi)(a).

In respect of indivisible contracts, the revenues are recognised over a period of time, measured as per (i) above.

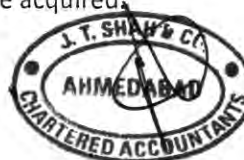
When the consideration is received, before the Company transfers goods to the customer, the Company shall present the consideration as a contract liability and when the services rendered by the Company exceed the payment, a contract asset is recognised excluding any amount presented as receivable.

c) Other Income

Exports Incentives are treated as income in the year of Exports based on eligibility and when there is reasonable certainty regarding the receiving the same.

(xi) Goods and Service Tax:

GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.



STERLING ABRESIVES LIMITED

The GST credits so taken are utilized for payment of GST on goods manufactured. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit is carried forward in the books.

(xii) **Employee Benefits:**

i. **Short term employee benefits:**

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

ii. **Post employment benefits:**

a) **Defined contribution plan:**

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

b) **Defined benefit plans:**

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

iii. **Other long term employee benefits:**

Other long term employee benefits comprise of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the project unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Remeasurement of leave encashment towards un-availed leave and compensated absences are recognized in the statement of profit and loss except those included in cost of assets as permitted in the period which they occur.



(xiii) Taxation :

a) **Current Tax:**

Current Tax is determined on income for the year chargeable to tax in accordance on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Effective from 1st April, 2019, the Company has adopted Appendix C of Ind AS-12 and has provided for the tax liability based on the significant judgment that the taxation authority will not accept the tax treatment. However, adoption of the same does not have any impact on the Balance Sheet, Statement of Change in Equity and Statement of Profit & Loss Account.

b) **Deffered Tax:**

Deferred tax is recognised for all the timing differences and is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and tax credits to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and tax credits will be utilised. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable profit available to realise such assets. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(xiv) Leases:

As a Lessee

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the company has the right to direct the use of the asset.

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

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

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



The lease liability is subsequently measured as given below:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as expense on straight line basis as per the terms of the lease.

(xv) Derivative financial instruments:

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair values at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

(xvi) Hedge Accounting:

The Company designates foreign exchange forward contracts as hedge instruments in respect of foreign exchange risks. These hedges are accounted for as cash flow hedges.

The hedge instruments are designated and documented as hedges at the inception of the contract. The effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis. The ineffective portions of designated hedges are recognized immediately in the statement of profit and loss.

The effective portion of change in the fair value of the designated hedging instrument is recognized in the other comprehensive income and accumulated under the heading cash flow hedge reserve.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity till that time remains and is recognized in statement of profit and loss when the forecasted ultimately affects the profit or loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the statement of profit and loss.

3. Standards issued but not yet effective

Till the date of approval of these financial statements, no notification issued in respect of amendments to Ind AS that would be effective in future periods have been notified by the Ministry of Corporate Affairs.



STERLING ABRASIVES LIMITED

3A Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	(Rs. in Lakhs)						
	Free Hold Land	Buildings	Plant & Machinery	Office Equipments	Furniture & Fixtures	Vehicles	Total
Gross Carrying cost as at 01/04/2022	1,056.56	1,276.62	2,911.85	123.67	108.85	109.27	5,586.82
Addition	Nil	3,529.03	1,335.77	Nil	10.60	34.15	4,909.55
Disposal	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gross Carrying cost as at 31/03/2023	1,056.56	4,805.65	4,247.62	123.67	119.45	143.42	10,496.37
Addition	Nil	381.34	721.78	10.11	7.93	9.41	1,130.57
Disposal	Nil	28.62	92.72	10.23	Nil	15.79	147.36
Gross Carrying cost as at 31/03/2024	1,056.56	5,158.37	4,876.68	123.55	127.38	137.04	11,479.58
Accumulated depreciation and impairment as on 01/04/2022	Nil	314.64	1,702.92	15.14	104.74	36.60	2,174.04
Addition	Nil	72.75	291.18	0.93	1.27	13.49	379.62
Eliminated on disposal	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Accumulated depreciation and impairment as on 31/03/2023	Nil	387.39	1,994.10	16.07	106.01	50.09	2,553.66
Addition	Nil	178.49	465.29	1.64	2.24	17.06	664.72
Eliminated on disposal	Nil	10.11	75.83	10.23	Nil	5.70	101.87
Accumulated depreciation and impairment as on 31/03/2024	Nil	555.77	2,383.56	7.48	108.25	61.45	3,116.51
Net Carrying Amount as on 31/03/2023	1,056.56	4,418.26	2,253.52	107.60	13.44	93.33	7,942.71
Net Carrying Amount as on 31/03/2024	1,056.56	4,602.60	2,493.12	116.07	19.13	75.59	8,363.07



STERLING ABRASIVES LIMITED

3B. Capital Work in Progress Movement

Balance at April 1, 2022	1,005.65
Addition during the year	192.50
Capitalised during the year	1,005.65
Balance at March 31, 2023	192.50
Addition during the year	983.78
Capitalised during the year	1,137.03
Balance at March 31, 2024	39.25

Refer Note.43 for disclosure of agewise bifurcation in respect of capital work in progress for project in progress.

(a) Assets pledged as Security

Refer Note. 46 for disclouser of asset pledge as security by the Company.

(b) Capitalised Borrowing Cost

Borrowing Cost Capitalised on Property, Plant and Equipment during the year of 2023-24 Rs.Nil Lakhs (PY.2022-23 Rs.76.06 Lakhs) and Capital Work in Progress includes capitalisation of borrowing cost during the year 2023-24 of Rs.Nil Lakhs (PY.2022-23 Rs.1.60 Lakhs).

(c) Contractual Obligations

Refer Note.33 for disclosure of Contractual Commitments for the acquisition of Property, Plant & Equipment.

(d) Title deeds of immovable property are held in the name of the company.



STERLING ABRASIVES LIMITED

3C Other Intangible assets

(Rs. in Lakhs)

Particulars	Licence & Software	Total
Gross Carrying cost as at 01/04/2022	32.46	32.46
Addition	16.69	16.69
Disposal	Nil	Nil
Gross Carrying cost as at 31/03/2023	49.15	49.15
Addition	6.46	6.46
Disposal	2.14	2.14
Gross Carrying cost as at 31/03/2024	53.47	53.47
Accumulated Amortisation and impairment as on 01/04/2022	21.76	21.76
Addition	5.53	5.53
Eliminated on disposal	Nil	Nil
Accumulated Amortisation and impairment as on 31/03/2023	27.29	27.29
Addition	3.70	3.70
Eliminated on disposal	2.13	2.13
Accumulated Amortisation and impairment as on 31/03/2024	28.86	28.86
Net Carrying value as on 31/03/2023	21.86	21.86
Net Carrying value as on 31/03/2024	24.61	24.61



STERLING ABRASIVES LIMITED

3D Right of Use Assets

(Rs. in Lakhs)

Particulars	Total
Gross Carrying cost as at 01/04/2022	581.48
Addition	Nil
Disposal	Nil
Gross Carrying cost as at 31/03/2023	581.48
Addition	Nil
Disposal	Nil
Gross Carrying cost as at 31/03/2024	581.48
Accumulated Amortisation and impairment as on 01/04/2022	33.75
Addition	11.25
Eliminated on disposal	Nil
Accumulated Amortisation and impairment as on 31/03/2023	45.00
Addition	11.25
Eliminated on disposal	Nil
Accumulated Amortisation and impairment as on 31/03/2024	56.25
Net Carrying value as on 31/03/2023	536.48
Net Carrying value as on 31/03/2024	525.23



STERLING ABRASIVES LIMITED

4	<u>Other Non Current Financial Assets</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	a) Security Deposits		
	- Secured, considered good	Nil	Nil
	- Unsecured, considered good	69.97	90.14
	- Doubtful	Nil	Nil
		69.97	90.14
	b) Bank Deposits with more than 12 months maturity (Amount transferred from disclosed under Other Bank Balance refer Note No.9)	Nil	0.60
	c) Margin Deposit with more than 12 months maturity (Amount transferred from disclosed under other Bank Balance refer Note No.9)	1.20	35.00
	Advance to Employees	1.05	3.10
	Total	72.22	128.84
5	<u>Other Non Current Assets</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	a) Capital advances		
	Considered Good	58.79	44.53
	Considered Doubtful	2.20	2.20
		60.99	46.73
	Less: Provision for doubtful Advance	(2.20)	(2.20)
		58.79	44.53
	b) Advance income tax Unsecured, considered good		
	Advance Payment Of Income Tax	16.36	16.36
	Less : Provision for Income Tax	Nil	Nil
		16.36	16.36
	Total	75.15	60.89
6	<u>Inventories</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	Raw materials	1,353.15	1,248.91
	Work-in-Process	637.07	631.93
	Finished Goods	443.84	407.79
	Stores & Spare parts	356.02	274.72
	Stock in Trade	24.90	10.16
	Total	2,814.98	2,573.51
	a) The method of valuation of inventories are stated in Notes No.2(vii).		
	b) Inventory of Raw Material includes material in Transit- as on 31-03-2024 of Rs. 271.04 Lakhs (as on 31-03-2023 Rs. 188.76 Lakhs).		
	c) Inventory of Finished Goods Includes Goods in Transit- as on 31-03-2024 Rs.6.99 Lakhs (as on 31-03-2023 Rs.Nil Lakhs).		
	d) The cost of inventories recognised as an expenses includes Rs. 66.05 Lakhs (during 2022-23 Rs.70.74 Lakhs) in respect of write-down of inventory to net realisable value.		
	e) Inventories pledged as Security with bank for borrowing as on 31-03-2024 of Rs.2814.98 Lakhs (as on 31-03-2023 Rs. 2573.51 Lakhs)		
	f) All the above inventories are expected to be recovered/utilised within twelve months.		



STERLING ABRASIVES LIMITED

7	<u>Trade receivables</u>	Current			
		As at	As at		
		31/03/2024	31/03/2023		
		Rs. In Lakhs	Rs. In Lakhs		
(a)	Trade Receivables				
	Trade Receivables Considered Good - Secured	9.57	14.90		
	Trade Receivable Considered Good - Unsecured	2,993.31	2,942.42		
	Trade Receivables - credit impaired	117.93	72.86		
		3,120.81	3,030.18		
	Less: Allowance for Expected Credit Loss	120.92	72.86		
	Total	2,999.89	2,957.32		
Gross Outstanding as on 31/03/2024		Disputed Trade Receivables		Undisputed Trade Receivables	
	Ageing	Credit Impaired	Considered Good	Credit Impaired	Considered Good
	Not Due	Nil	Nil	Nil	1,811.02
	Outstanding Less than 6 Months	Nil	Nil	Nil	1,005.66
	Outstanding Less than 6 Months to 1 Years	Nil	Nil	Nil	186.20
	Outstanding between 1 year to 2 Years	Nil	Nil	52.17	Nil
	Outstanding between 2 year to 3 Years	Nil	Nil	22.41	Nil
	Outstanding More than 3 Years	5.32	Nil	38.03	Nil
	Total	5.32	Nil	112.61	3,002.88
Gross Outstanding as on 31/03/2023		Disputed Trade Receivables		Undisputed Trade Receivables	
	Ageing	Credit Impaired	Considered Good	Credit Impaired	Considered Good
	Not Due	Nil	Nil	Nil	1,670.96
	Outstanding Less than 6 Months	Nil	Nil	Nil	1,119.49
	Outstanding Less than 6 Months to 1 Years	Nil	Nil	Nil	166.87
	Outstanding between 1 year to 2 Years	Nil	Nil	27.58	Nil
	Outstanding between 2 year to 3 Years	Nil	Nil	15.05	Nil
	Outstanding More than 3 Years	5.32	Nil	24.91	Nil
	Total	5.32	Nil	67.54	2,957.32
a	The above figures of trade receivables includes Rs. 6.19 Lakhs receivable from Holding Company and its Associates as at 31/03/2024 (Rs. 11.19 Lakhs as at 31/03/2023)				
b	The general credit period in respective on Domestic sale ranges between 60-90 days and for Export it ranges between 90 - 120 days, by and large company is not charging any interest on late payment.				
c	Credit risk is managed at the operational segmental level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.				
d	Concentration risk considers significant exposures relating to industry, counterparty, geography, currency etc. The concentration of credit risk is not significant as the customer base is large and diversified.				
e	The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on provision matrix which takes into account the historical credit loss experience adjusted for forward looking information.				



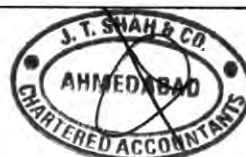
STERLING ABRASIVES LIMITED

f	Movment in expected credit loss allowance :	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	Particulars		
	Balance at the beginning of the year	72.86	68.59
	Add : Allowance made during the year	59.93	20.43
	Less : Reversal of allowance made during the year	(11.87)	(16.16)
	Balance at the end of the year	120.92	72.86
g	The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act,2013.		
8	Cash & Cash Equivalents	Current	
		As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	<u>Cash and cash equivalents</u>		
	Cash on hand	1.46	1.20
	Balance with Banks	42.65	27.74
		44.11	28.94
	Total	44.11	28.94
	Non Cash transactions:		
	During the year, the company has not entered into any non cash transactions on investing and financing acitivities.		
	There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and previous year.		
9	Bank Balance other than cash and cash equivalents	Current	
		As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	Margin Deposit	64.87	53.00
	Fixed Deposits with Bank	0.60	0.60
	(Amount disclosed under Other Non Current Finacial Assets Note No.4)	(1.20)	(35.60)
	Total	64.27	18.00
10	Other Financial Assets (Unsecured, Considered Good, unless otherwise stated)	Current	
		As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	Advance to Employees	1.24	1.79
	Forward Premium Receivable	Nil	Nil
	Total	1.24	1.79
11	Other Current Assets (Unsecured, Considered Good, unless otherwise stated)	Current	
		As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
	Advances to suppliers	21.39	0.85
	Prepaid Expenses	35.62	22.72
	Interest Income Receivable	2.26	2.51
	Export Cash Aid Receivable	3.90	4.26
	Balances with/amount receivable from Statutory authorities	Nil	Nil
	Total	63.17	30.34



STERLING ABRASIVES LIMITED

12	<u>Equity Share Capital</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs			
	[i] Authorised Share Capital: 100,000 equity shares of Rs.100/- each (as at March 31, 2023 : 100,000 equity shares of Rs.100/- each)	100.00	100.00			
	[ii] Issued, Subscribed & Paid-up Capital : 90,000 equity shares of Rs. 100 each fully paid (as at March 31, 2023 : 90,000 equity shares of Rs.100/- each)	90.00	90.00			
	Total	90.00	90.00			
(a)	<p>The company has only one class of shares referred to as Equity shares having face value of Rs. 100/-. Each Holder of equity share is entitled to 1 vote per share.</p> <p>In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholder.</p> <p>The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Director is subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>No Shares has been reserved for issue under options or contracts/commitments for the shares/disinvestment.</p>					
(b)	54000 Equity Shares (Previous year 54000 Shares) of Rs.100/- each are being held by the holding Company "Carborandum Universal Limited".					
(c)	Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2024 & 31/03/2023 is set out below:-					
	Particulars	As at 31/03/2024		As at 31/03/2023		
		No. of Shares	Amt Rs. In Lakhs	No. of Shares	Amt Rs. In Lakhs	
	Shares at the beginning	90000	90.00	90000	90.00	
	Addition	Nil	Nil	Nil	Nil	
	Deletion	Nil	Nil	Nil	Nil	
	Shares at the end	90000	90.00	90000	90.00	
(d)	The details of Share held by Promotors is set out below.					
	Name of Shareholder	As at 31/03/2024		As at 31/03/2023		% Change during the year
		No. of Shares	% held	No. of Shares	% held	
	Carborandum Universal Ltd	54000	60.00%	54000	60.00%	0.00%
	Smt. Ashaben N Parikh	15000	16.67%	15000	16.67%	0.00%
	Shri Nirav N Parikh	10000	11.11%	10000	11.11%	0.00%
	Shri Nitin S Parikh	7500	8.33%	7500	8.33%	0.00%
	Mrs. Payal A. Sheth	1250	1.39%	1250	1.39%	0.00%
	Mrs. Viral A. Patel	1250	1.39%	1250	1.39%	0.00%
	Mrs. Deval R. Patel	1000	1.11%	1000	1.11%	0.00%
	Total No of Shares	90000		90000		
(e)	<p>In the Period of five years immediately preceding 31st March,2024</p> <p>The company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus shares or Bought backany equity Shares. Further in the period of last five years the company has not forfeited any amount received on issue of Shares.</p>					



STERLING ABRASIVES LIMITED

13	<u>Other Equity</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
(a)	Undistributable Retained Earnings		
	Balance as per last financial Statement	20.09	20.09
	Closing Balance	20.09	20.09
	Opening balance of Revaluation reserve as on 01/04/2016 of Rs.20.09 Lakhs is transferred to undistributable retained earning on carrying of assets at deemed book value on adoption of Ind As.		
(b)	General Reserve		
	Balance as per last financial Statement	4,537.11	4,287.11
	Add: Amount transfer from surplus balance in the Statement of profit and loss	Nil	250.00
	Closing Balance	4,537.11	4,537.11
	The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with Companies Act.		
(c)	Surplus/(deficit) in the Statement of Profit and Loss		
	Balance as per last financial Statement	4,290.20	3,385.42
	Add : Profit for the year	1,383.79	1,647.85
	Add: Other Comprehensive income	0.79	(7.07)
	Less: Appropriations Transferred to General Reserve	Nil	(250.00)
	Less: Interim Dividend Paid during the year	(180.00)	(180.00)
	Less: Final Dividend Paid during the year	(360.00)	(306.00)
		844.58	904.78
	Net Surplus in the statement of profit and loss	5,134.78	4,290.20
	The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial position and dividend policy of the Company and in compliance with the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in its entirety.		
(d)	Currency Hedging Reserve		
	Balance as per last financial Statement	(6.89)	(4.38)
	Add : Current year adjustment	5.17	(3.35)
		(1.72)	(7.73)
	(Tax)/reversal of Tax on Hedging Reserve	(1.30)	0.84
	Closing Balance	(3.02)	(6.89)
	Total	9,688.96	8,840.51
	The hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The reserve will be reclassified to profit or loss when the hedged transaction impacts the profit or loss, or included as a basis adjustment to the non-financial hedged item.		
	Fixed assets revaluation reserve: Land and Building added upto the year ended 1992 were revalued based on the valuation done by an independent valuer. The value added on revaluation amounting to Rs.20.00 Lakhs was credited to fixed asset revaluation reserves. The depreciation charged on the revalued portion was recouped every year from this reserve.		
	General Reserve : The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, and the items included in the general reserve will not be reclassified subsequently to profit or loss.		



STERLING ABRASIVES LIMITED

	<p>Retained earnings: The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.</p> <p>Hedging reserve: The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.</p>																									
14	<p>Long Term Borrowings</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Non Current</th> </tr> <tr> <th style="text-align: center;">As at 31/03/2024</th> <th style="text-align: center;">As at 31/03/2023</th> </tr> <tr> <th style="text-align: center;">Rs. In Lakhs</th> <th style="text-align: center;">Rs. In Lakhs</th> </tr> </thead> <tbody> <tr> <td colspan="2">Secured Borrowing</td> </tr> <tr> <td>Term Loan from Bank (Repayable in 43 Equal monthly Installment Starting from 01-09-2023)#</td> <td style="text-align: right;">2,130.99</td> </tr> <tr> <td>[Foreign Currency Loan from Bank]</td> <td></td> </tr> <tr> <td>Amount disclosed under the head Other Financial Liabilities (Note No.17)</td> <td style="text-align: right;">(655.85)</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">2,377.56</td> </tr> </tbody> </table>	Non Current		As at 31/03/2024	As at 31/03/2023	Rs. In Lakhs	Rs. In Lakhs	Secured Borrowing		Term Loan from Bank (Repayable in 43 Equal monthly Installment Starting from 01-09-2023)#	2,130.99	[Foreign Currency Loan from Bank]		Amount disclosed under the head Other Financial Liabilities (Note No.17)	(655.85)	Total	2,377.56								
Non Current																										
As at 31/03/2024	As at 31/03/2023																									
Rs. In Lakhs	Rs. In Lakhs																									
Secured Borrowing																										
Term Loan from Bank (Repayable in 43 Equal monthly Installment Starting from 01-09-2023)#	2,130.99																									
[Foreign Currency Loan from Bank]																										
Amount disclosed under the head Other Financial Liabilities (Note No.17)	(655.85)																									
Total	2,377.56																									
	<p>Security :</p> <p># This loan is secured against :</p> <p>i) Primary Security :</p> <p># Secured by a Exclusive Charge on the Factory Building (Including Internal road/boundary/Wall/Bore/Well/Main Gate/Security Cabin/Parking etc.) Constructed and to be constructed on Industrial Property of NA Land Located at Plot No 57, 58, 59 and 64 Opp. Umberto Ceramics, Village - Galesara, Galteshwar Road, Taluka : Prantij. Dist Sabarkantha.</p> <p>ii) Collateral Security :</p> <p>Exclusive Charge by way of Registered Mortgage on Industrial Property of NA Land Located at Plot No 57, 58, 59 and 64 Opp. Umberto Ceramics, Village - Galesara, Galteshwar Road, Taluka : Prantij. Dist Sabarkantha.</p> <p>iii) Interest :</p> <p>Term Loans carry an interest rate at 6M Euribor Euro + Spread 1.702 p.a.</p> <p>Note:</p> <p>a) The borrowing from the banks has been used for the specific purpose for which it was taken at the balance sheet date.</p> <p>b) The company has been not declared as wilful defaulter by Reserve Bank of India till 31/03/2024.</p>																									
15	<p>Provisions</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Non Current</th> </tr> <tr> <th style="text-align: center;">As at 31/03/2024</th> <th style="text-align: center;">As at 31/03/2023</th> </tr> <tr> <th style="text-align: center;">Rs. In Lakhs</th> <th style="text-align: center;">Rs. In Lakhs</th> </tr> </thead> <tbody> <tr> <td colspan="2">Provisions for employee benefits</td> </tr> <tr> <td>For unavailed leave (Refer Note No 28)</td> <td style="text-align: right;">70.85</td> </tr> <tr> <td>For Gratuity (Refer Note No 28)</td> <td style="text-align: right;">44.14</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">118.82</td> </tr> </tbody> </table>	Non Current		As at 31/03/2024	As at 31/03/2023	Rs. In Lakhs	Rs. In Lakhs	Provisions for employee benefits		For unavailed leave (Refer Note No 28)	70.85	For Gratuity (Refer Note No 28)	44.14	Total	118.82										
Non Current																										
As at 31/03/2024	As at 31/03/2023																									
Rs. In Lakhs	Rs. In Lakhs																									
Provisions for employee benefits																										
For unavailed leave (Refer Note No 28)	70.85																									
For Gratuity (Refer Note No 28)	44.14																									
Total	118.82																									
16	<p>Deffered Tax Liabilities (Net)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">As at</th> </tr> <tr> <th style="text-align: center;">31/03/2024</th> <th style="text-align: center;">31/03/2023</th> </tr> <tr> <th style="text-align: center;">Rs. In Lakhs</th> <th style="text-align: center;">Rs. In Lakhs</th> </tr> </thead> <tbody> <tr> <td colspan="2">Particulars</td> </tr> <tr> <td>Allowance for doubtful receivables</td> <td style="text-align: right;">18.34</td> </tr> <tr> <td>Expenses allowed on payment basis</td> <td style="text-align: right;">47.60</td> </tr> <tr> <td>Provision for Hedge Reserve</td> <td style="text-align: right;">2.32</td> </tr> <tr> <td>Total Deferred Tax assets (A)</td> <td style="text-align: right;">68.26</td> </tr> <tr> <td>Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets</td> <td style="text-align: right;">141.76</td> </tr> <tr> <td>Total Deffered Tax Liabilities (B)</td> <td style="text-align: right;">141.76</td> </tr> <tr> <td>Total (B-A)</td> <td style="text-align: right;">73.50</td> </tr> </tbody> </table>	As at		31/03/2024	31/03/2023	Rs. In Lakhs	Rs. In Lakhs	Particulars		Allowance for doubtful receivables	18.34	Expenses allowed on payment basis	47.60	Provision for Hedge Reserve	2.32	Total Deferred Tax assets (A)	68.26	Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets	141.76	Total Deffered Tax Liabilities (B)	141.76	Total (B-A)	73.50		
As at																										
31/03/2024	31/03/2023																									
Rs. In Lakhs	Rs. In Lakhs																									
Particulars																										
Allowance for doubtful receivables	18.34																									
Expenses allowed on payment basis	47.60																									
Provision for Hedge Reserve	2.32																									
Total Deferred Tax assets (A)	68.26																									
Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets	141.76																									
Total Deffered Tax Liabilities (B)	141.76																									
Total (B-A)	73.50																									



STERLING ABRASIVES LIMITED

Particulars	2023-24			
	Balance as on 01/04/2023	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Balance as on 31/03/2024
Movement of Deferred Tax Asset				
Allowance for doubtful receivables	(18.34)	(12.10)	Nil	(30.43)
Expenses allowed on payment basis	(47.60)	16.64	Nil	(30.96)
Provision for Hedge Reserve	(2.32)	Nil	1.29	(1.02)
Total	(68.26)	4.54	1.29	(62.41)
Particulars	2023-24			
	Balance as on 01/04/2023	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Balance as on 31/03/2024
Movement of Deferred Tax Liability				
Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets	141.76	86.73	Nil	228.49
Total	141.76	86.73	Nil	228.49
Particulars	2022-23			
	Balance as on 01/04/2022	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Balance as on 31/03/2023
Movement of Deferred Tax Asset				
Allowance for doubtful receivables	(17.26)	(1.07)	Nil	(18.34)
Expenses allowed on payment basis	(33.75)	(13.85)	Nil	(47.60)
Provision for Hedge Reserve	(1.47)	Nil	(0.84)	(2.32)
Total	(52.48)	(14.92)	(0.84)	(68.26)
Particulars	2022-23			
	Balance as on 01/04/2022	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Balance as on 31/03/2023
Movement of Deferred Tax Liability				
Difference in respect of depreciation on as per Income Tax Act & Companies Act on PPE and Intangible Assets	152.23	(10.47)	Nil	141.76
Total	152.23	(10.47)	Nil	141.76
17 Borrowings	Current			
		As at 31/03/2024	As at 31/03/2023	
		Rs. In Lakhs	Rs. In Lakhs	
Secured Borrowing				
Cash Credit from Bank (including Export Packing Credit Repayable on Demand) #		1,222.77	783.62	
Current maturity of long term borrowings (Note No.14)		655.85	178.35	
		1,878.62	961.97	



STERLING ABRASIVES LIMITED

	<p>Security : # Secured demand loans form Bank includes working capital loan from Kotak Mahindra Bank Ltd (referred as KMBL). This loan is secured against :</p> <p>i) Primary Security : # Secured by a hypothecation of all existing and future Current Assets and Equitable Mortgage of Fixed Assets Movable Assets except Vehicles.</p> <p>ii) Collateral Security : Factory Land and Building at Plot No 45-46 GIDC, situated at Odhav Industrial Estate, Survey No. 522, 535, 536, & 537 near Kharicut Canal, off, soni Chawl to kharicut canal Road, Odhav, Mouje : Odhav Taluka city, District Ahmedabad.</p> <p>Factory Land and Building at Plot No 501 GIDC, situated at Odhav Industrial Estate, Survey No. 292 paiki, 455 paiki, and 549 paiki near Kharicut Canal, off, soni Chawl to kharicut canal Road, Odhav, Mouje : Odhav Taluka city, District Ahmedabad.</p>			
18	Trade payables	Current		
		As at	As at	
		31/03/2024	31/03/2023	
		Rs. In Lakhs	Rs. In Lakhs	
	Payable to Micro and Small Enterprise	129.00	147.59	
	Payable to others			
	- Acceptance	Nil	Nil	
	- Other than Acceptances	1,039.50	1,265.67	
		1,168.50	1,413.26	
	Outstanding as on 31/03/2024	MSME Trade Payables		Other than MSME Trade Payables
	Ageing	Disputed	Undisputed	Disputed
	Not Due	Nil	86.65	Nil
	Outstanding Less than 1 Years	Nil	42.35	Nil
	Outstanding between 1 year to 2 Years	Nil	Nil	29.63
	Outstanding between 2 year to 3 Years	Nil	Nil	11.53
	Outstanding More than 3 Years	Nil	Nil	6.43
	Total	Nil	129.00	Nil
				1,039.50
	Outstanding as on 31/03/2023	MSME Trade Payables		Other than MSME Trade Payables
	Ageing	Disputed	Undisputed	Disputed
	Not Due	Nil	142.91	Nil
	Outstanding Less than 1 Years	Nil	4.68	Nil
	Outstanding between 1 year to 2 Years	Nil	Nil	14.04
	Outstanding between 2 year to 3 Years	Nil	Nil	2.45
	Outstanding More than 3 Years	Nil	Nil	4.56
	Total	Nil	147.59	Nil
				1,265.67
	<p>(a) There were no overdue amounts/interest payable to Micro, Small and Medium Enterprises Development Act, 2006 as at the Balance Sheet date or any time during the year.</p> <p>(b) The above figures in respect of trade payables include an amount of Rs.475.60 Lakhs payable to Holding Company and its associates as at 31/03/2024 (Rs. 594.30 Lakhs as at 31/03/2023)</p> <p>(c) The company has not entered in to any transaction with companies struck off under section 248 of the Companies Act,2013.</p> <p>(d) Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:</p>			



STERLING ABRASIVES LIMITED

<u>Particulars</u>	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
a) The Principal amount remaining unpaid to Micro and Small enterprise supplier as at the year end	129.00	147.59
b) Interest due thereon	Nil	Nil
c) Amount of interest paid by the Company in terms of section 16 of MSMED Act	Nil	Nil
d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006	Nil	Nil
e) Amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil
Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company and the same has been relied by the Auditor.		
19 Other Financial Liabilities	Current	
	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
<u>Unsecured</u>		
Payable for Property, Plant & Equipment	56.10	267.65
Dealer Deposits	34.80	34.27
Forward Premium Payable	4.04	9.21
Salary & Wages Payable	65.57	59.91
Bonus Payable	72.47	62.97
Total	232.98	434.01
20 Other Current Liabilities	Current	
	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
Advance from Customers	86.70	32.23
Statutory dues	131.15	72.82
Total	217.85	105.05
21 Provisions	Current	
	As at 31/03/2024 Rs. In Lakhs	As at 31/03/2023 Rs. In Lakhs
Provisions for employee benefits		
For unavailed leave (Refer Note No. 28)	6.87	7.31
For Gratuity (Refer Note No. 28)	Nil	Nil
Total	6.87	7.31



STERLING ABRASIVES LIMITED

22	<u>Current Tax Liability</u>	Current	
		As at	As at
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Provision for Income Tax	470.21	580.65
	Less : Advance Tax paid during the year	(424.15)	(509.47)
	Total	46.06	71.18



STERLING ABRASIVES LIMITED

23	<u>Revenue from operation</u>	Year ended	Year ended
	Sale of Product	31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Finished Goods	13,037.63	12,883.75
	Traded Goods	329.20	212.50
		13,366.83	13,096.25
	Sale of Service		
	Freight Income	736.41	709.22
		736.41	709.22
	Other Operating Revenue		
	Scrap Sales	148.53	123.53
	Commission Income	5.51	6.61
	Export benefits	50.22	47.73
		204.26	177.87
	Total	14,307.50	13,983.34
(a)	Reconciliation of Revenue recognised in the statement of profit and loss with the Contracted price :-		
	Particulars	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Gross Revenue	14,379.86	14,033.66
	Less: Discount - Variable Consideration	14,379.86	14,033.66
		128.09	104.66
	Revenue recognised from Contract with Customers	14,251.77	13,929.00
(b)	Reconciliation of Revenue from operation with Revenue from contracts with Customers :-		
	Particulars	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Revenue from operation	14,307.50	13,983.34
	Less: Commission Income	5.51	6.61
	Less: Export incentive	50.22	47.73
	Revenue from contracts with Customers	14,251.77	13,929.00
24	<u>Other Income</u>	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Interest Income From Bank	4.60	2.34
	Interest Income From Others	1.69	2.13
	Foreign Exchange Gain/ (Loss)	Nil	Nil
	Bad Debts Recovered	Nil	Nil
	Profit/ (Loss) From Sale of Property, Plant & Equipments	Nil	Nil
	Expected Credit Loss (Net)	Nil	Nil
	Miscellaneous Income	9.37	2.07
	Total	15.66	6.54
25	<u>Cost of Raw Material Consumed</u>	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Inventory at the beginning of the year	1,248.91	1,001.94
	Add: Purchases	4,977.73	5,224.72
	Less: Inventory at the end of the year	1,353.15	1,248.91
	Cost of Raw Material Consumed	4,873.49	4,977.75



STERLING ABRASIVES LIMITED

26	<u>Purchase of Stock in Trade</u>	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Purchases of Stock in Trade	235.50	166.71
	Total	235.50	166.71
27	<u>Change In Inventories Of Finished Goods,Work In Progress And Stock In Trade</u>	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Inventory at the beginning of the year		
	Work-in-process	631.93	549.36
	Stock in Trade	10.16	6.34
	Finished goods	407.79	356.71
		1,049.88	912.41
	Inventory at the end of the year		
	Work-in-process	637.07	631.93
	Stock in Trade	24.90	10.16
	Finished goods	443.84	407.79
		1,105.81	1,049.88
	Decretion / (Accretion) to Stock	(55.93)	(137.47)
28	<u>Employee Benefit Expense</u>	Year ended	Year ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
	Salary, Wages & Bonus	1,896.93	1,693.85
	Contribution to Provident Fund & Other Funds	112.07	103.84
	Staff Welfare Expenses	220.11	89.30
	Total	2,229.11	1,886.99

Ind AS 19 the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2024.

A. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognised in the balance sheet as Follows:

Particulars	Projected Unit Credit Method	
	2023-24	2022-23
Period Covered	31/03/2024	31/03/2023
	Rs. In Lakhs	Rs. in Lakhs
A. Change in defined benefit obligation		
1. Defined benefit obligation at beginning of period	297.57	262.31
2. Service cost		
a. Current service cost/(credit)	29.85	27.11
b. Past service cost/(credit) - vested	Nil	Nil
c. Past service cost/(credit) - unvested		
d. (Gain) / loss on settlements	Nil	Nil
3. Interest expenses	19.03	17.37
4. Cash flows		
a. Benefit payments from plan	(64.43)	(16.67)
b. Benefit payments from employer	Nil	Nil
c. Settlement payments from plan	Nil	Nil
d. Settlement payments from employer	Nil	Nil
5. Actuarial (Gains) and Losses		
a. Effect of changes in demographic assumptions	Nil	Nil
b. Effect of changes in financial assumptions	4.59	(7.00)
c. Effect of experience adjustments	6.78	14.45
6. Transfer In /Out		
a. Transfer In	Nil	Nil
b. Transfer out	Nil	Nil
7. Defined benefit obligation at end of period	293.39	297.57



STERLING ABRASIVES LIMITED

Bifurcation of the present value of obligation at the end of the year		31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
	Current Obligation	26.44	29.75
	Non-Current Obligation	266.95	267.82
	Total Obligation	293.39	297.57
B.	Change in fair value of plan assets	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Fair value of plan assets at beginning of period	253.43	234.84
2.	Acquisition Adjustment	Nil	Nil
3.	Charges and Taxes	Nil	Nil
4.	Expected return on plan assets	16.94	16.13
5.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	30.00	18.74
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	(64.43)	(16.67)
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
6.	Return on Plan Assets (excluding interest income)	12.17	0.38
7.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
8.	Fair value of plan assets at end of period	248.10	253.43
C.	Net Interest (Income)/ Expense	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Interest Expense - Obligation	19.03	17.37
2.	Interest Income - Plan Assets	(16.94)	(16.13)
3.	Net Interest (Income)/ Expense for the year	2.09	1.24
D.	Net Periodic Benefit Cost recognized in the P&L	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Current Service Cost	29.85	27.11
2.	Net Interest Cost	2.09	1.24
3.	Past Service Cost	Nil	Nil
4.	Curtailment Cost / (Credit)	Nil	Nil
5.	Settlement Cost / (Credit)	Nil	Nil
6.	Net Periodic benefit cost recognised in P & L	31.93	28.35
E.	Re-measurement	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
	a. Actuarial (Gains)/ Losses on obligations	11.37	7.45
	b. Return on Plan Assets, excluding amount recognized in the net interest expense	(12.17)	(0.38)
	c. Change in Asset ceiling	Nil	Nil
	d. Re-measurement Cost/ (Credit) for the year	Nil	Nil
	Total Re-measurements (OCI)	23.54	7.83
F.	Recognition of Past Service Cost	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
	Unrecognized Past Service Cost/(Credit) as at the beginning of the period	Nil	Nil
	Past Service Cost (Credit) for the period	Nil	Nil
	Past Service (Cost)/ Credit recognized during the period	Nil	Nil
	Unrecognized Past Service Cost/(Credit) as at the end of period	Nil	Nil



STERLING ABRASIVES LIMITED

G.	Balance Sheet Reconciliation	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Net defined benefit (liability) asset at beginning of period	(44.14)	(27.47)
2	Unrecognised past service cost at the beginning of the period	Nil	Nil
3	Expense In the P& L	(31.93)	(28.35)
4	Total remeasurements included in OCI	0.79	(7.07)
5	Employer's Total Contribution	30	19
6	Net transfer	Nil	Nil
7	Unrecognised past service cost at the end of the period	Nil	Nil
8	Net defined benefit (liability) asset as at end of period	(45.29)	(44.14)
H.	Major Categories of Plan Assets(as a % of total Plan Assets)	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1	Government of India Securities	0%	0%
2	State Government Securities	0%	0%
3	High Quality Corporate Bonds	0%	0%
4	Equity shares of listed companies	0%	0%
5	Property	0%	0%
6	Special Deposit Scheme	0%	0%
7	Funds managed by Insurer	100%	100%
8	Others (to specify)	0%	0%
9	Total	100%	100%
I.	Sensitivity of Defined Benefit Obligation (DBO) to key assumptions	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Under Base Scenario	293.39	297.57
2.	Salary Increase Rate - Plus 100 Basis Points	317.21	318.71
3.	Salary Increase Rate - Minus 100 Basis Points	272.38	278.87
4.	Withdrawal Rate - Plus 100 Basis Points	292.54	297.17
5.	Withdrawal Rate - Minus 100 Basis Points	294.34	298.00
6.	Discount Rate - Plus 100 Basis Points	271.47	278.24
7	Discount Rate - Minus 100 Basis Points	318.33	320
J	Significant actuarial assumptions	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1.	Discount Rate	6.97%	7.17%
2.	Expected Return on Plan Assets	7.17%	6.84%
3.	Salary increase rate	Uniform 7.0%	Uniform 7.0%
4.	Attrition Rate	Uniform 8.0%	Uniform 8.0%
5.	Retirement Age	58 OR 60	58 OR 60
6.	Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
7.	Disability	Nil	Nil
K	Data	31/03/2024	31/03/2023
1.	No.	468	337
2.	Avg. Age (yrs.)	34	36
3.	Avg. Past Service (yrs.)	7	9
4.	Avg. Sal. Mly (Rs.)	13,301	14,795
5	Future Service (in yrs)	24	22
6.	Weighted average duration of DBO	10	10



STERLING ABRASIVES LIMITED

B. Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under			
Particulars		Projected Unit Credit Method	
Period Covered		2023-24	2022-23
A. Change in defined benefit obligation		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. in Lakhs
1.	Defined benefit obligation at beginning of period	82.00	81.47
2.	Service cost		
	a. Current service cost/(credit)	5.21	5.50
	b. Past service cost/(credit)	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
3.	Interest expenses	3.68	4.24
4.	Cash flows		
	a. Benefit payments from plan	Nil	Nil
	b. Benefit payments from employer	(61.41)	(39.56)
	c. Settlement payments from plan	Nil	Nil
	d. Settlement payments from employer	Nil	Nil
5.	Actuarial (Gains) and Losses		
	a. Effect of changes in demographic assumptions	Nil	Nil
	b. Effect of changes in financial assumptions	1.20	(1.91)
	c. Effect of experience adjustments	47.04	32.26
6.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
7.	Defined benefit obligation at end of period	77.72	82.00
Bifurcation of the present value of obligation at the end of the year			
	Current Obligations	6.87	7.31
	Non-Current Obligations	70.85	74.68
	Total Obligation	77.72	82.00
B. Change in fair value of plan assets		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. in Lakhs
1.	Fair value of plan assets at beginning of period	Nil	Nil
2.	opening balance adjustment	Nil	Nil
3.	Charges and Taxes	Nil	Nil
4.	Expected return on plan assets	Nil	Nil
5.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	Nil	Nil
	(ii) Employer direct benefit payments	61.41	39.56
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	Nil	Nil
	d. Benefit payments from employer	(61.41)	(39.56)
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
6.	Return on plan assets (excluding interest income)	Nil	Nil
7.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
8.	Fair value of plan assets at end of period	Nil	Nil
C. Net Interest (Income)/ Expense		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. in Lakhs
1.	Interest Expense - Obligation	77.72	82.00
2.	Interest Income - Plan Assets	Nil	Nil
3.	Net Interest (Income)/ Expense for the year	77.72	82.00



STERLING ABRASIVES LIMITED

D	Net Periodic Benefit Cost recognized in the P&L	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1	Current Service Cost	5.21	5.50
2	Net Interest Cost	3.68	4.24
3	Past Service Cost	Nil	Nil
4	Net Actuarial Gains and Losses	48.25	30.34
5	Total P&L Expenses	57	40
E	Balance Sheet Reconciliation	31/03/2024 Rs. In Lakhs	31/03/2023 Rs. in Lakhs
1	Net defined benefit (liability) asset at beginning of period	(82.00)	(81.47)
2	Expense In the P& L	(57.14)	(40.08)
3	Employer's Total Contribution	61.41	39.56
4	Net transfer	Nil	Nil
5	Net defined benefit (liability) asset as at end of period	(77.72)	(82.00)
F.	Significant actuarial assumptions	31-03-2024	31-03-2023
1.	Discount rate Current Year	6.97%	6.47%
2.	Discount rate Previous Year	6.47%	6.35%
3	Attrition Rate	Uniform 8.0%	Uniform 8.0%
4	Pre-retirement mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
5	Disability	Nil	Nil
29	<u>Finance Costs</u>	Year ended 31/03/2024 Rs. In Lakhs	Year ended 31/03/2023 Rs. In Lakhs
	Interest to bank	236.26	51.86
	Interest to others	22.58	21.98
	Other borrowing cost	23.45	24.60
	Total	282.29	98.44
	Note No 29.1 The Capitalisation rate used to determine the borrowing costs to be capitalised is the weighted average effective interest rate applicable to the company's general borrowing during the year which is Nil in March 31, 2024 (Previous Year 7.45%)		
	Note No 29.2 Borrowing Costs attributable to the acquisition or construction of Qualifying Assets amounting Rs.Nil Lakhs (Previous Year Rs.76.06 Lakhs is capitalised by the company).		
30	<u>Depreciation And Amortisation Expense</u>	Year ended 31/03/2024 Rs. In Lakhs	Year ended 31/03/2023 Rs. In Lakhs
	Depreciation of Property, Plant & Equipment	664.72	379.61
	Amortisation of Right of Use Assets	11.25	11.25
	Amortisation of Intangible Assets	3.70	5.53
	Total	679.67	396.39



STERLING ABRASIVES LIMITED

31 <u>Other Expenses</u>	Year ended 31/03/2024 Rs. In Lakhs	Year ended 31/03/2023 Rs. In Lakhs		
Stores & Spares consumed	332.65	328.28		
Packing material consumed	408.03	416.56		
Electricity & Fuel charges	1,250.36	1,557.32		
Repairs To:				
Building	12.11	4.40		
Machinery	182.28	160.67		
Other	153.72	80.80		
Total	348.11	245.87		
Insurance	24.48	17.10		
Rent	2.21	1.57		
Rates & Taxes	34.83	10.39		
Stationery, Printing & Communication	9.34	9.95		
Advertisement & Sales Promotion Expense	25.82	48.54		
Traveling & Conveyance Expense	100.00	115.22		
Professional Fees	286.94	300.89		
Freight & Delivery charges	736.41	709.22		
Expected Credit Loss (Net)	48.07	4.27		
Loss on Sale of Property, Plant & Equipments	36.25	Nil		
Auditor's Remuneration:				
Audit Fees	4.00	3.00		
For Tax Audit	0.50	0.50		
For Income Tax Consultancy Fee	1.84	2.53		
For GST Matter	0.50	0.50		
For Certification	0.20	0.53		
Total	7.04	7.06		
Director Sitting Fees	2.30	2.80		
Commission paid	314.78	330.45		
CSR Expense	32.15	33.34		
Donation	1.35	0.35		
Loss on Exchange fluctuation (net)	13.13	191.67		
General Charges (including Watch & Ward Charges, water charges, House Keeping Charges & Miscellaneous Expenses)	121.29	69.44		
Total	4,135.54	4,400.29		
Expenditure on Corporate Social Responsibilities activities				
a) Gross amount required to be spent by the Company during the year Rs. 36.83 Lakhs (Previous year Rs.28.66 Lakhs)				
b) Amount spent during the year: (Rs. In Lakhs)				
Sr. No	Particulars	In Cash	Yet to be paid	Total
1	Education & Women empowerment Purpose	26.78	Nil	26.78
		(PY. 33.34)	(PY. Nil)	(PY. 33.34)
	Healthcare Purpose	5.37	Nil	5.37
		(PY. Nil)	Nil	(PY. Nil)
2	On Purpose other than (1) above	Nil	Nil	Nil
		(PY. Nil)	(PY. Nil)	(PY. Nil)



STERLING ABRASIVES LIMITED

32 <u>Income tax recognised in profit or loss</u>	Year ended 31/03/2024 Rs. In Lakhs	Year ended 31/03/2023 Rs. In Lakhs
Current tax		
In respect of the current year	470.21	580.65
In respect of the prior year	(1.72)	(2.32)
	468.49	578.33
Deferred tax		
In respect of the current year	91.23	(25.39)
	91.23	(25.39)
Total	559.72	552.94
Income tax reconciliation		
Particulars	Year ended 31/03/2024 Rs. In Lakhs	Year ended 31/03/2023 Rs. In Lakhs
Profit before tax	1,944.29	2,193.72
Tax expenses reported during the year	559.72	552.94
In respect of the prior year	(1.72)	(2.32)
Effective Tax expenses reported during the year	558.00	550.62
Income tax expenses calculated at (22%*10%*4%) (PY = (22%*10%*4%))	489.34	552.12
Difference	68.66	(1.50)
Expenditure on Corporate Social Responsibilities/Donation not eligible for tax deduction	8.43	8.47
Expenditure not eligible for tax deduction	3.27	4.35
Adjustment recognised in the current year in relation to prior years	54.82	(12.56)
Others	2.14	(1.76)
Total	68.66	(1.50)



STERLING ABRESIVES LIMITED

33 Contingent liabilities in respect of:

Particulars	As At 31/03/2024 (Rs. In Lakhs)	As At 31/03/2023 (Rs. In Lakhs)
1. Disputed demand of Value Added Tax and Central Sales Tax [Against which the company has paid Rs. 7.28 Lakhs (Previous Year Rs. 7.28 Lakhs)]	19.99	19.99
2. Show Cause notice received/Disputed demand of Service Tax, GST & Penalty thereon [Against which the company has paid Rs. Nil Lakhs (Previous Year Nil Lakhs)]	49.42	49.42
3. Disputed demand of Central Excise & Penalty [Against which the company has paid Rs. Nil Lakhs (Previous Year Rs. Nil Lakhs)]	5.29	5.29
4. Disputed demand of Provident Fund and Penalty [Against which the company has paid Rs. 32.64 Lakhs (Previous Year Rs. 32.64 Lakhs)]	32.64	32.64
5. Estimated amount of Contracts remaining to be executed on Capital account [Against which the company has paid advances of Rs. 60.99 Lakhs (Previous Year Rs. 46.73 Lakhs)]	303.03	590.41
6. Bank Guarantee [Against which the company has put Margin Money Deposit of Rs. 60.52 Lakhs (Previous Year Rs. Nil Lakhs)]	260.00	Nil
7. Employees demands pending before labour court	Amount Not ascertainable	Amount Not ascertainable

34 During the year, the company has impaired the assets to the tune of Rs. Nil Lakhs (Previous year Rs. Nil Lakhs).

35 The company is considered to be engaged in the business of Bonded Abrasives with all activity of the company revolving around this business and accordingly the company has only one reportable business segment in accordance with the requirement of Ind AS 108 "Operating Segment".

The Geographical details of Revenue and Non Current Asset are as under:-

Particulars	Year Ended 31/03/2024 (Rs. In Lakhs)	Year Ended 31/03/2023 (Rs. in Lakhs)
Segment Revenue		
India	9222.80	8974.56
Rest of world	5084.70	5008.78
Segment Non Current Assets		
India	9099.53	8883.28
Rest of world	Nil	Nil

Details of the Customer contributing 10% or more of total revenue:

Particulars	Units	Year Ended 31/03/2024 (Rs. In Lakhs)	Year Ended 31/03/2023 (Rs. In Lakhs)
No. of customers contributing 10% or more of total revenue (Individually)	Nos	Nil	Nil
Net Amount of Revenue	Rs. In Lakhs	Nil	Nil
% of total revenue	In %	0.00%	0.00%



STERLING ABRESIVES LIMITED

36 (A) Earnings per Share

Particulars	Unit	Year ended 31/03/2024 (Rs. In Lakhs)	Year ended 31/03/2023 (Rs. In Lakhs)
Profit Attributable to Equity Share Holders from Continuing Operations (Profit after Tax)	Rs in Lakhs.	1384.36	1647.84
Weighted average No. of shares used as denominator for calculating Basic and Diluted	No. of Shares	90,000	90,000
Nominal Value of Share	Rs.	100	100
Basic and Diluted Earnings per Share	Rs.	1538.18	1830.93

(B) Increase/(Decrease) in EPS due to retrospective restatement of Prior Period error:

Particulars	Unit	Year ended 31/03/2024 (Rs. In Lakhs)	Year ended 31/03/2023 (Rs. In Lakhs)
Basic and Diluted Earnings per Share	Rs.	Nil	Nil

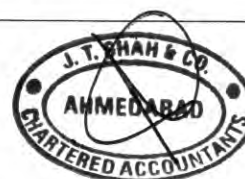
37 Related Party Disclosure

A. Parties where Control Exists:

Sr. No.	Name
1	Carborundum Universal Limited – Holding Company

B. List of Other Related Parties with whom transactions have taken place during the year :

Sr. No.	Name
	Associates
1	Wendt India Limited
2	Murugappa Morgan Thermal Ceramics Limited
3	Murugappa Management Services Ltd.
4	Net Access India Ltd.
	Key Management Personnel
1	Mr.Nitin S. Parikh
2	Mr.Nirav N. Parikh
	Close members of the family of Key Management Personnel
1	Mr.Aditya N. Parikh



STERLING ABRESIVES LIMITED

C. Compensation to Key Management Personnel

Particulars	Transaction during 2023-24		Transaction during 2022-23	
Short term employee benefits	17.20		7.48	
Post-employment benefits	4.28		4.96	

(Rs. In Lakhs)

D. Details of Transactions with Key Management Personnel and Related Parties of the Key Management Personnel are as follows :

Sr. No	Nature of Transaction	Holding Company		Associates		Key Mgt. Personnel		Close member of family of Key Mgt. Personnel			Total	
		31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)	
1	Sales	2.99	0.63	25.96	66.66	Nil	Nil	Nil	Nil	Nil	28.95	67.29
2	Purchases	2357.87	2776.73	22.70	29.08	Nil	Nil	Nil	Nil	Nil	2380.57	2805.81
3	Debtors	Nil	Nil	6.19	11.19	Nil	Nil	Nil	Nil	Nil	6.19	11.19
4	Creditors	469.26	579.58	6.34	14.72	Nil	Nil	Nil	Nil	Nil	475.60	594.30
5	Purchase of Property, Plant & Equipment	Nil	34.22	Nil	140.26	Nil	Nil	Nil	Nil	Nil	Nil	174.48
6	Payment to and provision for employees	Nil	Nil	Nil	Nil	221.43	227.72	27.32	27.73	Nil	248.75	255.45
7	Professional Fees Paid	290.78	300.90	16.97	11.53	Nil	Nil	Nil	Nil	Nil	307.75	312.43
8	Reimbursement of Expenses	0.90	0.59	0.02	0.11	Nil	Nil	Nil	Nil	Nil	0.92	0.70

Notes :

- Dividend paid has not been considered by the company as transaction falling under the preview of Ind AS – 24 Related Party Disclosure.
- No amount pertaining to related parties have been provided as doubtful debts. Also, no amount have been written off or written back during the year.
- No amount of loans/Advances in nature of loans has been granted to promoters, directors, Key managerial personnel or to any of the related parties during the year under consideration.
- List of transaction, out of the transactions reported in the above table, where the transactions entered in to with single party exceed the 10% of the total related Party transactions of significant nature are as under:



STERLING ABRESIVES LIMITED

1. **Carborandum Universal Ltd:**

- Purchase made during the Year Rs.2357.87Lakhs (P.Y.Rs. 2776.72Lakhs)
- Purchase of Capital Goods made during the Year is Nil Lakhs. (P.Y.Rs.34.22 Lakhs)
- Sales made during the Year – Rs.2.99Lakhs (P.Y. Rs.0.63Lakhs)
- Professional & Consultancy Fees Paid during the Year Rs.290.78 Lakhs(P.Y. Rs.300.90Lakhs)
- Debtors having closing balance of Rs.NilLakhs(P.Y. Rs. Nil Lakhs)
- Creditors having closing balance of Rs.469.26Lakhs(P.Y. Rs.579.58Lakhs)
- Reimbursement of expenses of Rs.0.90 Lakhs(P.Y.Rs.0.59Lakhs)

2. **Wendt India Ltd. :**

- Sales made during the Year Rs.25.96Lakhs(P.Y. Rs. 66.66 Lakhs)
- Debtors having closing balance of Rs.6.19Lakhs (P.Y. Rs. 11.19 Lakhs)
- Purchase made during the Year Rs. 22.70 Lakhs (P.Y.Rs. 29.08 Lakhs)
- Creditors having closing balance of Rs.4.97 Lakhs (P.Y. Rs. 1.62 Lakhs)

3. **Murugappa Management Service Ltd :**

- Reimbursement Expense during the year Rs.0.02Lakhs(P.Y. Rs. 0.59Lakhs)

4. **Murugappa Morgan Thermal Ceramics Ltd :**

- Purchase made during the Year Rs. Nil Lakhs (P.Y. Rs. 1.20 Lakhs)
- Purchase of Capital Goods made during the Year Rs.NilLakhs (P.Y. Rs. 127.16 Lakhs)

5. **Key Mgt. Personnel :**

- Mr.NitinS. Parikh
Remuneration and perquisites paid to the director Rs.109.98 Lakhs(P.Y. Rs. 116.16 Lakhs)
- Mr.Nirav N. Parikh
Remuneration and perquisites paid to the director Rs.111.45 Lakhs(P.Y. Rs. 111.56 Lakhs)

6. **Close member of family of Key Mgt. Personnel**

- Mr. Aditya N. Parikh
Remuneration and perquisites paid to the director Rs.27.32 Lakhs(P.Y. Rs.27.72 Lakhs)



STERLING ABRESIVES LIMITED

38 Details in respect of CIF Value of imports

Particulars	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)
i. Raw Materials	2037.30	1746.5
ii. Component, Spares and Packing Material	8.10	7.99
iii. Property Plant & Equipment's	48.74	108.16

39 Earning in Foreign Currencies

Particulars	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)
Value of Exports on FOB basis	5062.53	4916.26
Commission Income	5.51	6.61

40 Expenditure in Foreign Currency

Particulars	31/03/2024 (Rs. In Lakhs)	31/03/2023 (Rs. In Lakhs)
i. Travelling Expenses	2.20	27.40
ii. Foreign Bank Charges	11.14	13.79
iii. Reimbursement of Employee Cost	9.10	8.82
iv. Service Charges	2.01	2.10
v. Commission Expense	22.46	13.19
vi. Maintenance Expense	2.72	Nil



STERLING ABRASIVES LIMITED

41 Notes forming part of the Standalone financial statements for the year ended 31st March 2024
(in Indian Rupees Lakhs , unless otherwise stated)

Financial Instrument

(i) Capital management

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

The Company's objective when managing capital are to :

- safeguard their ability to continue as a going concern, so that they can continue to provide return for shareholders and benefits for other stakeholders and
- Maintain an optimal capital structure to reduce the weighted average cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell non-core assets to reduce the debt.

The Debt to Equity ratio at the end of the reporting period was as follows:

Particulars	Note Reference	Units	As at	
			31/03/2024	31/03/2023
Debt	14, 17	Rs. In Lakhs	3,353.75	3,339.53
Cash and bank balances	8, 9	Rs. In Lakhs	(108.38)	(46.95)
Net debt		Rs. In Lakhs	3,245.37	3,292.58
Equity	12, 13	Rs. In Lakhs	9,778.96	8,930.51
Net debt to equity ratio		In %	33.00%	37.00%

Loan covenants:

(i) Categories of financial instruments

(Rs. In Lakhs)

Particulars	Note Reference	As at	
		31/03/2024	31/03/2023
A. Financial assets			
Measured at amortised cost			
(a) Cash and Cash Equivalent	8	44.11	28.94
(b) Other Bank balances	9	64.27	18.00
(c) Other financial assets at amortised cost			
(i) Other Non Current Financial Assets	4	72.22	128.84
(ii) Trade receivables	7	2,999.89	2,957.32
(iii) Other Current Financial Assets	10	1.24	1.79
B. Financial Liabilities			
Measured at amortised cost			
(i) Non Current Borrowings	14	1,475.14	2,377.56
(ii) Current Borrowings	17	1,878.61	961.97
(iii) Trade payables	18	1,168.50	1,413.26
(iv) Other Current financial liabilities	19	232.98	434.01



STERLING ABRASIVES LIMITED

(iii) Financial risk management objectives

The Company's activities expose it to market risk, liquidity risk and credit risk. The table given below explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
a. Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	- Aging analysis - Credit ratings - Financial analysis	Review of credit limits and credit locks and secured mode of payment.
b. Market risk			
i. Market risk – foreign exchange	- Future commercial transactions '- Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
ii. Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Market trends, Interest rate swaps
c. Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of sanctioned credit lines and borrowing facilities

The Company's risk management is governed by policies and approved by the board of directors. Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

a. Credit risk :

Credit risk to the risk that a counterparty will not meet on its obligations resulting in under a financial instrument or customer contract, leading to financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), cash and cash equivalents and other financial instruments.

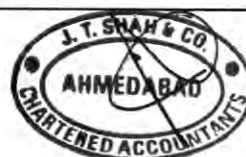
Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to the customer credit risk management. Outstanding customer receivables are regularly monitored and taken up on case to case basis. The Company has adopted a policy of dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure and the credit scores of its counterparties are continuously monitored. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management team on a regular basis. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions representing large number of minor receivables operating in largely independent markets. The company has assessed that credit risk on loans given is insignificant based on the empirical data.

The credit risk on cash and bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

b. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.



STERLING ABRASIVES LIMITED

b(i). Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposed to exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. Depending on the future outlook on currencies, the Company may keep the exposures hedged or hedge only a part of the total exposure inline with the approved policies.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities based on gross exposure at the end of the reporting period is as under:

(FC in Lakhs)

Currency	Liabilities		Assets	
	As at		As at	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023
US Dollar (USD)	0.74	0.28	16.29	16.93
EURO Currency (EUR)	23.87	28.58	4.08	2.83
Great Britian Pound (GBP)	Nil	Nil	1.33	0.74
United Arab Emirates Dirham (AED)	Nil	Nil	Nil	Nil

Quantum of Forward contract (derivatives) (all of which identified as hedges) outstanding as at the end of the year (notional principle amount) on:

Contracts booked for	Currency	As at		As at	
		31/03/2024		31/03/2023	
		Number of contracts	Value (in FC in Lakhs)	Number of contracts	Value (in FC in Lakhs)
Loan	USD	Nil	Nil	Nil	Nil
Export receivable	EURO	Nil	Nil	Nil	Nil
Export receivable	USD	12	18.00	11	16.50
Import payment	USD	Nil	Nil	Nil	Nil

Other price risks

As of 31st March 2024, Company has Rs.Nil Lakhs (PY. Rs.Nil Lakhs) exposure on security price risks.

Interest Rate Risk

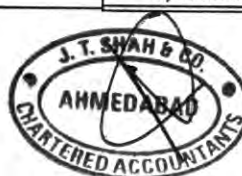
Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Exposure to interest rate risk

(Rs. in Lakhs)

Particulars	As at 31st March	
	2024	2023
Fixed Rate Instruments (Refer Note. 14 & 17)		
Financial liabilities		
Non Current	Nil	Nil
Current	Nil	Nil
Total	Nil	Nil
Variable Rate Instruments (Refer Note. 14 & 17)		
Financial liabilities		
Non Current	1,475.14	2,377.56
Current	1,878.61	961.97
Total	3,353.75	3,339.53



STERLING ABRASIVES LIMITED

The outstanding position of borrowings at variable interest rate along with proportion of total loans is given below:

Particulars	(Rs. in Lakhs)	
	As at 31st March	
	2024	2023
Total Borrowings	3,353.75	3,339.53
% of Borrowings out of above bearing variable rate of interest	100.00%	100.00%

Interest Rate Sensitivity

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

Particulars	(Rs. in Lakhs)	
	As at 31st March	
	2024	2023
50bps increase would decrease the profit before tax by	16.77	16.70
50bps decrease would increase the profit before tax by	(16.77)	(16.70)

c. Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligation when due. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2024:

(Rs. In Lakhs)

Particulars	Note Reference	Carrying amount	upto 1 year	1-3 year	4-5 year	More than 5 year	Total contracted cash flows
Non-current financial liabilities							
Borrowings	14	1,475.14	Nil	1,475.14	Nil	Nil	1,475.14
Finance lease liability		Nil	Nil	Nil	Nil	Nil	Nil
Current financial liabilities							
Borrowings * (Current)	17	1,870.71	1,870.71	Nil	Nil	Nil	1,870.71
Interest payable	17	7.91	7.91	Nil	Nil	Nil	7.91
Trade payables	18	1,168.50	1,168.50	Nil	Nil	Nil	1,168.50
Other financial liabilities	19	232.98	232.98	Nil	Nil	Nil	232.98
Total		4,755.24	3,280.10	1,475.14	Nil	Nil	4,755.24

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2023:

(Rs. In Lakhs)

Particulars	Note Reference	Carrying amount	upto 1 year	1-3 year	4-5 year	More than 5 year	Total contracted cash flows
Non-current financial liabilities							
Borrowings	14	2,377.56	Nil	1,426.84	950.72	Nil	2,377.56
Finance lease liability		Nil	Nil	Nil	Nil	Nil	Nil
Current financial liabilities							
Borrowings and interest thereon* (Current)	17	961.97	961.97	Nil	Nil	Nil	961.97
Trade payables	18	1,413.26	1,413.26	Nil	Nil	Nil	1,413.26
Other financial liabilities**	19	434.01	434.01	Nil	Nil	Nil	434.01
Total		5,186.80	2,809.24	1,426.84	950.72	Nil	5,186.80

*Amount included in the above maturity analysis assumes interest outflows based on the actual interest rates.



STERLING ABRASIVES LIMITED

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at 31 March 2024:

(Rs. In Lakhs)

Particulars	Note Reference	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
Non-current financial assets							
Other financial assets	4	72.22	Nil	2.25	Nil	69.97	72.22
Current financial assets							
Trade receivables	7	2,999.89	2,999.89	Nil	Nil	Nil	2,999.89
Other financial assets	10	1.24	1.24	Nil	Nil	Nil	1.24
Total		3,073.35	3,001.13	2.25	Nil	69.97	3,073.35

The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at 31 March 2023:

(Rs. In Lakhs)

Particulars	Note Reference	Carrying amount	upto 1 year	1-3 year	3-5 year	More than 5 year	Total contracted cash flows
Non-current financial assets							
Other financial assets	4	128.84	Nil	38.10	Nil	90.74	128.84
Current financial assets							
Trade receivables	7	2,957.32	2,957.32	Nil	Nil	Nil	2957.32
Other financial assets	10	1.79	1.79	Nil	Nil	Nil	1.79
Total		3087.95	2959.11	38.10	Nil	90.74	3087.95

The company has access to financing facilities as described in below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Financing facilities	Note Reference	(Rs. In Lakhs)	
		As at	
		31/03/2024	31/03/2023
Secured term loan from bank:			
Amount used	14	2,130.99	2,556
Amount unused		1,931.35	1,944.09
		4,062.34	4,500.00
Unsecured Borrowings from bank:			
Amount used		Nil	Nil
Amount unused		Nil	Nil
		Nil	Nil
Secured cash credit and other borrowings facility:			
Amount used	17	1,222.77	783.62
Amount unused		1,277.23	1,716.38
Total Financing facility used from Bank		3,353.76	3,339.53

Fair Value measurement

Fair value of the Company's financial assets and financial liabilities for the year ended 31st March 2024 and for the year ended 31st March, 2023.



STERLING ABRASIVES LIMITED

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

(Rs. In Lakhs)

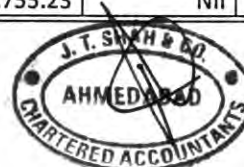
Particulars	Note Reference	Fair value hierarchy	31/03/2024		31/03/2023	
			Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortised cost:						
Non-current financial assets						
Other financial assets						
Security deposit	4	Level 3	71.17	71.17	125.74	125.74
Advances to employees	4	Level 3	1.05	1.05	3.10	3.10
Current financial assets						
Trade receivables	7	Level 3	2,999.89	2,999.89	2,957.32	2,957.32
Other financial assets	10	Level 3	Nil	Nil	Nil	Nil
Advances to employees	10	Level 3	1.24	1.24	1.79	1.79
Financial liabilities held at amortised cost:						
Non-current financial liabilities						
Borrowings and interest thereon	14	Level 3	1,475.14	1,475.14	2,377.56	2,377.56
Current financial liabilities						
Borrowings and interest thereon	17	Level 3	1,878.61	1,878.61	961.97	961.97
Trade payables	18	Level 3	1,168.50	1,168.50	1,413.26	1,413.26
Others financial liabilities	19	Level 3	232.98	232.98	434.01	434.01

The fair values of the financial assets and financial liabilities included above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

Financial Instruments by Category

(Rs. In Lakhs)

Particulars	As at 31/03/2024			As at 31/03/2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current financial assets						
Other financial assets						
Security deposit	Nil	Nil	71.17	Nil	Nil	125.74
Advances to employees	Nil	Nil	1.05	Nil	Nil	3.10
Current financial assets						
Trade receivables	Nil	Nil	2,999.89	Nil	Nil	2,957.32
Cash and Cash equivalent	Nil	Nil	44.11	Nil	Nil	28.94
Other Bank Balance	Nil	Nil	64.27	Nil	Nil	18.00
Other financial assets	Nil	Nil	Nil	Nil	Nil	Nil
Advances to employees	Nil	Nil	1.24	Nil	Nil	1.79
Total....	Nil	Nil	3,181.73	Nil	Nil	3,134.89
Financial liabilities						
Non-current financial liabilities						
Borrowings and interest thereon	Nil	Nil	1,475.14	Nil	Nil	2,377.56
Current financial liabilities						
Borrowings	Nil	Nil	1,878.61	Nil	Nil	961.97
Trade payables	Nil	Nil	1,168.50	Nil	Nil	1,413.26
Others financial liabilities	Nil	Nil	232.98	Nil	Nil	434.01
Total....	Nil	Nil	4,755.23	Nil	Nil	5,186.80



STERLING ABRASIVES LIMITED

42	The following pre-commissioning expenses incurred during the year on a various projects have been included in Property Plant & Equipments/Capital working In progress		
Particulars		For the year	
		2023-24	2022-23
		Rs. in Lakhs	Rs. In Lakhs
Account Head:			
Professional Fees		Nil	70.81
Other Miscellaneous Expense		Nil	32.66
Total...		Nil	103.47
43	Details of Capital Working in Progress		
Particulars		For the year	
		2023-24	2022-23
		Rs. in Lakhs	Rs. In Lakhs
Account Head:			
(a)	Borrowing Costs	Nil	1.60
(b)	Buildings	2.40	25.94
(c)	Plant & Machinery	36.85	164.96
(d)	Intangible Assets	Nil	Nil
(e)	Other Miscellaneous Expense for Free hold land	Nil	Nil
(f)	Preoperative Expense	Nil	Nil
Total...		39.25	192.50
Ageing of Capital Working in Progress		For the year	
		2023-24	2022-23
		Rs. in Lakhs	Rs. In Lakhs
For Period Less than 1 Years		39.25	192.50
For Period between 1 years to 2 years		Nil	Nil
For Period between 2 years to 3 years		Nil	Nil
For Period More than 3 Years		Nil	Nil
Total		39.25	192.50
44	Dividends		
Particulars		Year Ended	Year Ended
		31/03/2024	31/03/2023
		Rs. In Lakhs	Rs. In Lakhs
Equity shares			
Final dividend for the year ended 31 March 2023 of Rs.400/- (31 March 2022 – Rs.340/-) per fully paid share has been distributed during the year		360.00	306.00
Dividends not recognised at the end of the reporting period			
In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of Rs.300/- per fully paid equity share (31 March 2023 – Rs.400/-). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.		270.00	360.00



STERLING ABRASIVES LIMITED

45 Additional Regulatory Information (Non Ind AS)

The disclosures required by amendment to Division II of Schedule III of the Companies Act, 2013, are given only to the extent applicable:

(i) During the year no proceedings has been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) Company has not carried our any revaluation in respect of Property, Plant & Equipments and intangible Asset, hence during the year there has been no change of 10% or more in the aggregate of the Net Carrying value of Assets on account of revaluation of Assets in respect of Property, Plant & Equipments and intangible assets.

(iii) There are no intangible assets under development in the Company during the current reporting period

(iv) The borrowing taken by the company from the banks has been used for the specific purpose for which it was taken.

(v) The company has not been declared as willful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

(vi) During the year under consideration the company has not traded or invested in crypto currency or virtual currency.

(vii) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.

(viii) The Company had taken a Working Capital loan of Rs.72.00 Lakhs from Bank of Baroda against the security of Current Assets of the Company. The said laon was repaid in full and the bank had issued no due certificate Dt.19/03/1997.However, the Charge on the assets of the company is yet not satisfied on MCA portal. The banker have informed that due to non availability of the old records, they need some more time to do needful for satisfaction of the charge on MCA portal.

Further, the company has taken Working capital facilities of Rs.31.00 Crore from Kotak Mahindra Bank and further Term loan of Rs.45.00 Crore has been saction by Kotak Mahindra Bank vide their Sanction letter Dt. 11/02/2022, however the disbursement of said term loan has been not taken by the company and the same has been taken from other bank, however the Charge on the asset of the company of Rs.45.00 Crore in respect of Term loan proposed to be taken from Kotak Mahindra bank is yet not satisfied on MCA Portal. The banker has informed that the same will be amended at the time of renewal of working facilities with the approval of necessary banking authorities.

(ix) The Company does not have any transctions or relationships with any companies struck off under section 248 of the Companies Act, 2013.

(x) Details in respect of difference in respect of Current Assets as per Books and details as provided in quarterly returns filed by the company, the details of the same are as under:

Quarter	Name of the Bank	Particulars of Security Provided	Amount reported in Quaterly return/ statement (Rs.in Lakhs)	Amount as per Books of Account (Rs.in Lakhs)	Amount of Difference (Rs.in Lakhs)	Reason for Material discrepancies
Jun'23	KMBL	Receivables	3,005.71	3,067.03	(61.32)	-
Jun'23	KMBL	Trade Payable	1,509.95	1,513.94	(3.99)	-
Sep'23	KMBL	Inventories	3,322.02	3,322.58	(0.56)	-



STERLING ABRASIVES LIMITED

Sep'23	KMBL	Receivables	2,789.06	2,879.48	(90.42)	-
Sep'23	KMBL	Trade Payable	1,392.99	1,329.33	63.66	-
Sep'23	KMBL	Advance received from Customer	35.02	90.41	(55.39)	The Same has been regroup from Trade Receivable while preparing in the Balance Sheet.
Dec'23	KMBL	Receivables	3,069.15	3,103.74	(34.59)	-
Dec'23	KMBL	Advance received from Customer	34.58	70.30	(35.72)	The Same has been regroup from Trade Receivable while preparing in the Balance Sheet.
Dec'23	KMBL	Advance Paid to suppliers	68.91	52.62	16.29	Since no Drawing Power is available in respect of Advance paid to Capital Goods hence not provided in Quarterly Stock Statement.
Jun'22	KMBL	Inventories	2,354.55	2,364.09	(9.54)	-
Jun'22	KMBL	Advance Paid to suppliers	82.38	102.67	(20.29)	Since no Drawing Power is available in respect of Advance paid to Capital Goods hence not provided in Quarterly Stock Statement.
Jun'22	KMBL	Advance received from Customer	32.85	51.26	(18.41)	The Same has been regroup from Trade Receivable while preparing in the Balance Sheet.
Sep'22	KMBL	Advance received from Customer	3,071.63	3,136.97	(65.34)	The Same has been regroup Trade Receivable to Advance Receipt from the Customers in Balance Sheet.
Sep'22	KMBL	Advance Paid to suppliers	6.86	102.14	(95.28)	Since no Drawing Power is available in respect of Advance paid to Capital Goods hence not provided in Quarterly Stock Statement.



STERLING ABRASIVES LIMITED

Sep'22	KMBL	Trade Payable	1,026.99	1,291.18	(264.19)	Since no Trade Payable for Capital Goods is not require to be considered in calculation of Drawing Power, hence not provided in Quarterly Stock Statement.
Sep'22	KMBL	Advance received from Customer	33.30	65.34	(32.04)	The Same has been regroup from Trade Receivable while preparing in the Balance Sheet.
Dec'22	KMBL	Advance Paid to suppliers	141.00	33.55	107.45	Since no Drawing Power is available in respect of Advance paid to Capital Goods hence not provided in Quarterly Stock Statement.
Dec'22	KMBL	Trade Payable	751.87	1,290.09	(538.22)	Since no Trade Payable for Capital Goods is not require to be considered in calculation of Drawing Power, hence not provided in Quarterly Stock Statement.
Dec'22	KMBL	Advance received from Customer	102.00	68.33	33.67	The Same has been regroup from Trade Receivable while preparing in the Balance Sheet.
Mar'23	KMBL	Advance Paid to suppliers	0.60	0.85	(0.25)	Since no Drawing Power is available in respect of Advance paid to Capital Goods hence not provided in Quarterly Stock Statement.
Mar'23	KMBL	Trade Payable	1,092.93	1,413.27	(320.34)	Since no Trade Payable for Capital Goods is not require to be considered in calculation of Drawing Power, hence not provided in Quarterly Stock Statement.



STERLING ABRASIVES LIMITED

46	Assets Pledged as Security			
The Carrying amount of assets Pledged as Security for Current borrowing are:				
Particulars				
	Note Reference	Year Ended 31/03/2024 Rs. In Lakhs	Year Ended 31/03/2023 Rs. In Lakhs	
Non-Current Assets				
Property Plant & Equipment	3A	8,363.07	7,942.71	
Capital Work in Progress	3B	39.25	192.50	
Intangible Aseet	3C	24.61	21.86	
Right-to-use Assets	3D	525.23	536.48	
Total Non Current Assets pledged as Security		8,952.16	8,693.55	
Current Assets				
Inventories	6	2,814.98	2,573.51	
Financial Assets				
Trade Receivable	7	2,999.89	2,957.32	
Cash and cash equivalents	8	44.11	28.94	
Other Bank Balance	9	64.27	18.00	
Other Financial Assets	10	1.24	1.79	
Other Current Assets	11	63.17	30.34	
Total Current Assets pledged as Security		5,987.66	5,609.90	
Total Assets Pledged as Security		14,939.82	14,303.45	
Note: Asset pledge as security includes the Securities hypothecated with the bank for current borrowing by the company.				

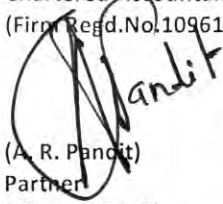

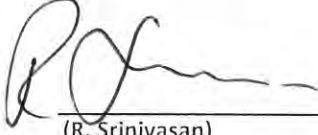
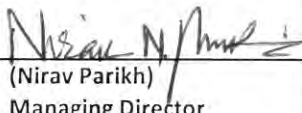
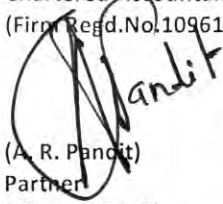

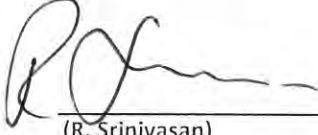
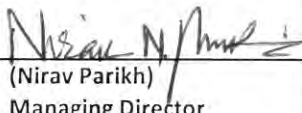
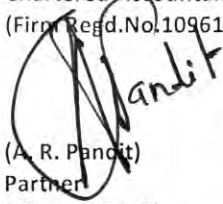

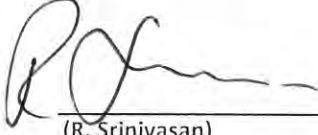
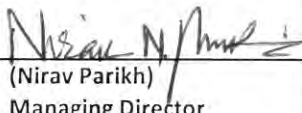


STERLING ABRASIVES LIMITED

47 Details in respect of Analytical Ratios of the Company								
Sr. No.	Particulars	Numerator/ Denominator	FY 23-24		FY 22-24		% of Variance	Reason for Variance
			Rs. in Lakhs	Current Period	Rs. In Lakhs	Previous Period		
1	Current Ratio	Current Assets	5,987.66	1.69	5,609.90	1.87	-10.04%	Due to repayments of current borrowings.
		Current Liabilities	3,550.87		2,992.79			
2	Debt - Equity Ratio	Total Debts	3,353.75	0.34	3,339.53	0.37	-8.29%	-
		Shareholders Equity	9,778.96		8,930.51			
3	Debt Service Coverage Ratio	Earning available for Debt services	2,930.07	1.56	2,675.28	2.78	-43.92%	This is due to increase in Finance costs consequent to utilisation of borrowing during the year
		Debt Service	1,878.61		961.97			
4	Return on Equity Ratio	PAT-Preference Dividend	1,383.77	0.15	1,647.84	0.20	-25.01%	Decrease due to lower profit
		Average of Shareholder Funds	9,354.74		8,354.38			
5	Inventory turnover Ratio	COGS	5,053.06	1.88	5,006.99	2.14	-12.32%	Due to higher inventory
		Average Inventory	2,694.25		2,340.82			
6	Trade Receivables turnover Ratio	Turnover	14,103.24	4.73	13,805.47	4.81	-1.57%	-
		Average Trade Receivables	2,978.60		2,870.03			
7	Trade payables turnover Ratio	Purchase	5,953.91	4.61	6,136.27	4.50	2.57%	
		Average Trade Creditors	1,290.89		1,364.67			
8	Net Capital turnover Ratio	Net Sales	14,103.24	7.51	13,805.47	14.35	-47.69%	Working capital increase in line with business growth and also due to repayment of current borrowings
		Working Capital	1,878.62		961.97			
9	Net Profit Ratio	Net Profit	1,383.77	0.10	1,647.84	0.12	-17.80%	Lower profitability due to Product Mix.
		Net Sales	14,103.24		13,805.47			
10	Return on Capital employed	PBIT	2,202.33	0.17	2,274.62	0.18	-10.13%	Profit decrease due higher Depreciation
		Capital Employed	13,298.79		12,343.54			
11	Return on investment	Not Applicable			Not Applicable			
	As No investment has been held by the Company							



STERLING ABRASIVES LIMITED

48	All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.				
49	Approval of Financial Statements				
	The financial statement were reviewed and recommend by the Audit Committee and has been approved by the Board of Directors at their meeting held on 17th April ,2023.				
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>Signature to Schedules "1" to "49" As per our report of even date attached herewith. For, J. T. Shah & Co Chartered Accountants (Firm Regd.No.109616W)</p>  <p>(A. R. Pandit) Partner (M.No.127917) Place : Ahmedabad Date : 18/04/2024</p> </td> <td style="width: 33%; vertical-align: top; text-align: center;">  </td> <td style="width: 33%; vertical-align: top;"> <p style="text-align: center;">For & on behalf of the Board of Directors of Sterling Abrasives Limited</p>  <p>(R. Srinivasan) Chairman (DIN: 00043658) Place : Ahmedabad Date : 18/04/2024</p> </td> <td style="width: 33%; vertical-align: top;">  <p>(Nirav Parikh) Managing Director (DIN: 00042146) Place : Ahmedabad Date : 18/04/2024</p> </td> </tr> </table>		<p>Signature to Schedules "1" to "49" As per our report of even date attached herewith. For, J. T. Shah & Co Chartered Accountants (Firm Regd.No.109616W)</p>  <p>(A. R. Pandit) Partner (M.No.127917) Place : Ahmedabad Date : 18/04/2024</p>		<p style="text-align: center;">For & on behalf of the Board of Directors of Sterling Abrasives Limited</p>  <p>(R. Srinivasan) Chairman (DIN: 00043658) Place : Ahmedabad Date : 18/04/2024</p>	 <p>(Nirav Parikh) Managing Director (DIN: 00042146) Place : Ahmedabad Date : 18/04/2024</p>
<p>Signature to Schedules "1" to "49" As per our report of even date attached herewith. For, J. T. Shah & Co Chartered Accountants (Firm Regd.No.109616W)</p>  <p>(A. R. Pandit) Partner (M.No.127917) Place : Ahmedabad Date : 18/04/2024</p>		<p style="text-align: center;">For & on behalf of the Board of Directors of Sterling Abrasives Limited</p>  <p>(R. Srinivasan) Chairman (DIN: 00043658) Place : Ahmedabad Date : 18/04/2024</p>	 <p>(Nirav Parikh) Managing Director (DIN: 00042146) Place : Ahmedabad Date : 18/04/2024</p>		