

Dated: 29.05.2023

**To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400051**

NSE SYMBOL: DENEERS

Sub: Outcome of the Board Meeting pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, this is to inform you that Board of Directors of De Neers Tools Limited at their meeting held on today i.e. Monday, 29th May, 2023 have approved the standalone audited financials results of the Company for the Financial Year ended on 31st March, 2023.

We enclose herewith a copy of the said Standalone financial results along with the Auditor's Report by the Statutory Auditors of the Company.

The meeting of the Board of Directors commenced at 06.00 P.M. and concluded at 6.45 P.M.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For DE NEERS TOOLS LIMITED

Neeraj Kumar Aggarwal
Digitally signed by Neeraj Kumar Aggarwal
Date: 2023.05.29 18:47:42 +05'30'

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

Place: New Delhi



INDEPENDENT AUDITORS' REPORT

To,
The Members of De Neers Tools Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of De Neers Tools Limited, which comprises the Balance Sheet as at 31st March 2023 and the Statement of Profit and Loss and the statement of Cash Flow for the year then ended and notes to financial statement including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023 and its profit/loss, and its cash flow for the year then ended on that date.

Basis of Opinion

We have conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 statement under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 and cash flow 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism 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 for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.



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

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in "Annexure "A", a statement on the matters specified in the paragraph 3 and 4 of the said order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet and the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.



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

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: New Delhi
Dated : 29/05/2023

UDIN : 23095438B4XCPT9223

for Gautam Sehgal & Co.
Chartered Accountants



RRN : 015736A
D: New Delhi
Gautam Sehgal
(Partner)
M. No. : 095938

Annexure A to the Independent Auditor' Report to the Members of De Neers Tools Limited dated 27/05/2023

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

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

- (i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment on the basis of available information.
- (B) The Company has no intangible assets. Hence, provision of paragraph 3(i)(a)(B) of the order is not applicable to the company.
- (b) The physical verification of property, plant & equipment has done by the management at reasonable intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) The Company has not owned any immovable property. Hence, provision of paragraph 3(i)(c) of the order is not applicable to the company.
- (d) The company has not revalued its property, plant and equipment including right of use assets or intangible assets or both during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories (except goods-in-transit, which have been received subsequent to the year-end or confirmations have been obtained from the parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable, when compared with the books of account.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock and book debt statements, filed by the Company with such banks are in agreement with the books of account of the Company.



The variations of the same has been reported in Annexure 1 of audited Balance sheet.

- (iii) The company has not made any investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, provision of paragraph 3(iii) of the order is not applicable to the company.
- (iv) In our opinion and according to the information and explanation given to us, the company has not given any loan, investment, guarantees and securities as per provisions of section 185 and 186 of the Act. Hence, provision of paragraph 3(iv) of the order is not applicable to the company.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act for the Company's activities. Hence, the provisions of paragraph 3(vi) of the Order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, employees' state insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues as applicable to the Company with the appropriate authorities though there has been a delay in respect of remittance of taxes.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, employees' state insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months.
- (b) According to the records of the Company, there is no such statutory dues as referred in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the



loans were obtained.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, an associate or a joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(b) During the year the Company has issued bonus equity shares of Rs. 6,30,00,000 which is in the ratio 210:1 to existing equity shareholders on October 27, 2022.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) The provisions of paragraph 3(xi)(c) of the Order is not applicable to the company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) The provisions of paragraph 3(xiv)(b) of the Order is not applicable to the company.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank



of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under clause 3(xvi)(b) of the Order is not applicable.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) The Group has no Core Investment Company (CIC) as part of the Group. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

(xx) Section 135 of Companies Act is not applicable to the company. Hence, the provisions of paragraph 3(xx)(a) & (b) of the Order is not applicable to the company.

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

Place: Delhi

Dated : 29/05/2023

UDIN : 23095938B6XCPT9223

for Gautam Sehgal & Co.
Chartered Accountants

FRN. 016736N

New Delhi

Gautam Sehgal

Chartered Accountant

M. No. : 095938

5/23

DE NEERS TOOLS LIMITED

Annexure B to the Independent Auditor' Report to the Members of De Neers Tools Limited

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

We have audited the internal financial controls over financial reporting of De Neers Tools Limited as on March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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



including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (a) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of an information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over



financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit if Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India".

Place : Delhi
Date : 29/05/2023

for Gautam Sehgal & Co.
Chartered Accountants

PRN : 015736N
New Delhi

Gautam Sehgal
(Partner)

M. No. : 095938



DE NEERS TOOLS LIMITED
CIN : U29309DL2021PLC384229
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2023

(Amount in ₹)

PARTICULARS	NOTES	31st March 2023	31st March 2022
Income			
I Revenue from Operations	19	95,05,12,763	60,19,03,621
II Other Income	20	5,34,249	1,09,96,236
III Total Income (I+II)		95,10,47,012	61,28,99,857
IV Expenses			
Purchases of Stock-In-Trade		1,07,45,71,653	70,84,65,160
Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	21	(33,78,80,101)	(22,67,49,829)
Employee Benefits Expenses	22	3,16,36,506	2,02,34,196
Finance Costs	23	1,93,11,894	72,55,265
Depreciation and Amortisation Expense		78,29,370	32,43,915
Other Expenses	24	6,28,78,554	3,10,65,674
Total Expenses		85,83,47,876	54,35,14,381
V Profit/(Loss) before Exceptional Items and Tax		9,26,99,136	6,93,85,476
Exceptional Items		-	-
VI Profit/(Loss) before Tax		9,26,99,136	6,93,85,476
VII Tax expense			
Current Tax		2,44,45,645	2,09,69,043
Deferred Tax		(11,06,043)	(4,30,968)
VIII Profit/(Loss) for the year (VIII-IX)		6,93,59,534	4,88,47,401
Earnings Per Share	25		
Basic		10.96	7.72
Diluted		10.96	7.72

Corporate Information

1

Significant Accounting Policies

2

Other Notes

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"As per our report of even date"



For DE NEERS TOOLS LTD.

Kanav Gupta
Director

For DE NEERS TOOLS LTD.

Neeraj Kumar Aggarwal
Director

Kanav Gupta
(Whole time Director
& CFO)

DIN : 06802701

Neeraj Kumar
Aggarwal

(Managing Director)

DIN : 08058134

PARTNER

M No : 095938

For & on behalf of

Gautam Sehgal & Company

Chartered Accountants

FRN : 015736N

PLACE : NEW DELHI

DATED : 29/05/2023

DE NEERS TOOLS LIMITED
CIN : U29309DL2021PLC384229
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

PARTICULARS	31st March 2023	31st March 2022
(Amount in ₹)		
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	9,26,99,136	6,93,85,476
Adjustments for:		
Profit of LLP (trf at the time of conversion of LLP into company)		1,68,81,677
Depreciation and Amortisation	78,29,370	32,43,915
Finance Costs	1,93,11,894	72,55,265
Provision for Gratuity	7,94,674	3,81,476
Amount Written off	-	30,596
Prior Period Tax Expense	632	-
Loss/(Profit) on sale of Fixed Asset	(4,55,986)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	12,01,79,720	9,71,78,405
Adjustments for changes in working capital :		
- (Increase)/Decrease in Trade and Other Assets	(1,86,73,909)	(41,67,49,607)
- (Increase)/Decrease in Inventories	(33,78,80,101)	(53,94,30,478)
- Increase/(Decrease) in Trade and Other Liabilities	69,23,749	37,05,35,765
CASH GENERATED FROM OPERATIONS	(22,94,50,541)	(48,84,65,915)
- Taxes (Paid)/Received (Net of Withholding Taxes(TDS))	(2,11,46,761)	(52,59,358)
NET CASH FROM OPERATING ACTIVITIES	(25,05,97,302)	(49,37,25,273)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets during the year	(1,34,90,751)	(2,35,94,870)
Proceeds from sale of Fixed Assets	11,16,082	-
NET CASH USED IN INVESTING ACTIVITIES	(1,23,74,669)	(2,35,94,870)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long-Term Borrowings	19,70,76,881	27,05,07,916
Payments of Long-Term Borrowings	(9,15,60,483)	(1,31,35,419)
Proceeds from Short-Term Borrowings	59,37,63,273	12,94,49,879
Payments of Short-Term Borrowings	(45,60,10,845)	(2,23,96,287)
Preference Share Capital	2,75,00,000	17,28,00,000
Dividend paid	(28,917)	-
Finance Costs paid	(1,93,11,894)	(72,55,265)
NET CASH USED IN FINANCING ACTIVITIES	25,14,28,015	52,99,70,824
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(1,15,43,956)	1,26,50,681
CASH AND BANK BALANCES - OPENING	1,26,50,681	-
CASH AND BANK BALANCES - CLOSING	11,06,725	1,26,50,681
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(1,15,43,956)	1,26,50,681



NOTES:

- 1 The above cash flow statement has been prepared under the "indirect method" set out in the Accounting Standard- 3 on 'Cash Flow Statements'.
- 2 Figures in brackets indicate cash outflow.
- 3 Previous year figures have been regrouped and recast wherever necessary to confirm to current year's classification.
- 4 Cash and bank balances at the end of the year consist of cash on hand, cheques on hand and balance and deposits with banks as follows:

Particulars	31st March 2023	31st March 2022
Balances with banks		
Current Accounts	1,70,892	92,85,593
Cash in hand	9,35,833	33,65,088
Total	11,06,725	1,26,50,681

For DE NEERS TOOLS LTD.

For DE NEERS TOOLS LTD.



PARTNER
M No : 095938
For & on behalf of
Gautam Sehgal & Company
Chartered Accountants
FRN : 015736N
PLACE : NEW DELHI
DATED : 29/05/2023

Kanav Gupta
Director

Kanav Gupta
(Whole time Director
& CFO)
DIN : 06802701

Neeraj Kumar Aggarwal
Director
Neeraj Kumar
Aggarwal
(Managing
Director)
DIN : 08058134

De NEERS TOOLS LIMITED

Notes to the financial statements for the period 1st April 2022 to 31st March 2023

1. Corporate information

De Neers Tools Limited is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is primarily engaged in the business of wholesale trading of Hardware Tools.

2. Significant accounting policies

a. Basis of preparation of financial statements

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

b. Use of estimates

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

c. Fixed assets

(i) Tangibles

(a) Tangible fixed assets are stated at cost of acquisition or construction, or at revalued amounts, net of impairment loss if any, less accumulated depreciation/amortisation. The Company capitalizes all costs including costs of borrowed funds and duties & taxes attributable to acquisition or construction of fixed assets, upto the date the assets are put to use. Assessment of indication of impairment of an asset is made at the year end and impairment loss, if any, recognized.



d. Depreciation/Amortisation on Fixed Assets

i) Depreciation on Tangible assets:

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

e. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date to assess whether there is any indication of impairment based on internal /external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company measures it on the basis of undiscounted cash flows of next five years projections estimated based on current prices.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g. Revenue recognition

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

- i) Revenue from sale of goods are recognized at the time of dispatch of goods to the customer. Sales are net of taxes applicable and sales returns.



- ii) Revenue from rendering of services are recognized when the related services are performed. Services are net of taxes applicable.
- iii) Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

h. Foreign currency transactions

Initial Recognition

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

Conversion

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

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

i. Investments

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

j. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on FIFO Basis.



k. Employee benefits

- i) All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus etc. are recognized in Profit & Loss A/c in the period in which the employee renders the related service.
- ii) All employees are covered under contributory provident fund benefit of a contribution of 12% of salary and certain allowances. It is a defined contribution scheme and the contribution is charged to the statement of profit and loss account of the year when the contribution to the respective fund is due. There is no obligation other than the contribution payable to the respective fund.
- iii) Provision for Employees' Gratuity is provided for as on the date of balance sheet.

The Company has adopted AS-15 (Revised) on disclosure in respect of "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006. There was no material differential liability arising due to adoption of this standard accordingly no adjustments were made to opening balance of Profit & Loss Account under the transitional provision of AS-15 (Revised).

l. Income and deferred taxes

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

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted at the balance sheet date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset on unabsorbed depreciation and carry forward losses is recognized only to the extent that there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.



At each balance sheet date, the Company reassesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes it down to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period and utilize the MAT Credit Entitlement.

m. Earnings per share

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

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

n. Provisions

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

o. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will be required to settle the



obligations. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

p. Cash and Bank Balances

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



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

3 Share capital

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Authorised Share Capital		
31,50,000 Equity Share of Rs. 10/- each	-	3,15,00,000
100,00,000 Equity Share of Rs. 10/- each	10,00,00,000	-
20,00,000 Preference Share of Rs. 100/- each	20,00,00,000	20,00,00,000
	30,00,00,000	23,15,00,000
Issued, subscribed and fully paid up		
30,000 Equity Share of Rs. 10/- each	3,00,000	3,00,000
63,00,000 Equity Share of Rs 10/- each	6,30,00,000	-
20,00,000 .01% Preference Share of Rs. 100/- each fully paid up	20,00,00,000	-
10,00,000 .01% Preference Share of Rs. 100/- each fully paid up	-	10,00,00,000
10,00,000 .01% Preference Share of Rs. 100/- each, Rs. 72.5 paid up	-	7,25,00,000
	26,33,00,000	17,28,00,000

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

Particulars	31st March 2023		31st March 2022	
	Equity	Preference	Equity	Preference
Opening Balance	30,000	20,00,000	-	-
Issued during the year	63,00,000	-	30,000	20,00,000
Closing Balance	63,30,000	20,00,000	30,000	20,00,000

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

Name of shareholders	31st March 2023		31st March 2022	
	Nos. of shares	% shares	Nos. of shares	% shares
Neeraj Kumar Aggarwal	17,30,700	27.34%	9,000	30.00%
Kanav Gupta	15,38,400	24.30%	8,000	26.67%
Shilpy Aggarwal	17,30,700	27.34%	9,000	30.00%
Total	49,99,800	78.99%	26,000	86.67%

Name of Preference shareholders	31st March 2023		31st March 2022	
	Nos. of shares	% shares	Nos. of shares	% shares
Sunstar Realty Development Ltd	10,00,000	50%	10,00,000	50%
MK Goenka Construction Pvt Ltd	10,00,000	50%	10,00,000	50%
Total	20,00,000	100%	20,00,000	100%

3.3 Shareholding of Promoters

Name of Promoter	No of shares	% shares	% change during the year
Neeraj Kumar Aggarwal	17,30,700	27.34%	2.66%
Kanav Gupta	15,38,400	24.30%	2.36%
Shilpy Aggarwal	17,30,700	27.34%	2.66%
Deepali Aggarwal	1,92,300	3.04%	0.29%
Riya Aggarwal	1,92,300	3.04%	0.29%
Manoj Gupta	1,92,300	3.04%	0.29%
Anju Gupta	1,92,300	3.04%	0.29%
Total	57,69,000	91.14%	8.85%



3.4 Rights, Preference and restrictions attached to shares

- Equity Shares

- (i) The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share.
- (ii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding.

- Bonus Shares

The Company has issued bonus equity shares of Rs. 6,30,00,000 which is in the ratio 210:1 to existing equity shareholders on October 27, 2022.

- Preference Shares

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

3.5 Dividend

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

4 Surplus

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Surplus/(Deficit) in the statement of Profit & Loss		
Opening Balance	6,57,11,828	1,68,81,677
Add: Net Profit/(Net Loss) for the current year	6,93,59,534	4,88,47,401
Profit Available for appropriation	13,50,71,362	6,57,29,078
Less : Proposed Preference Dividend	8,333	17,250
Less : Preference Dividend Paid	11,667	-
Less : Bonus Issue	6,30,00,000	-
Closing Balance	7,20,51,362	6,57,11,828
Total	7,20,51,362	6,57,11,828



DE NEERS TOOLS LIMITED
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5 Long Term Borrowings (Amount in ₹)

Particulars	31st March 2023	31st March 2022
Secured Term Loan from Banks	1,69,87,393	2,30,19,009
Unsecured Loan		
Loan from Related Parties	27,28,37,901	22,05,65,714
Loan from Others	5,63,49,933	-
Total	34,61,75,227	24,35,84,723

6 Other Non Current Liabilities (Amount in ₹)

Particulars	31st March 2023	31st March 2022
Gratuity Payable	11,76,150	3,81,476
Total	11,76,150	3,81,476

7 Short Term Borrowings (Amount in ₹)

Particulars	31st March 2023	31st March 2022
Bank Overdraft	24,48,06,020	10,70,53,592
Current Maturities of Long Term borrowings - From Banks	1,67,13,667	1,37,87,774
Total	26,15,19,687	12,08,41,366

Note : The balance as per bank statement as on 31st March 2023 is Rs. 19,03,12,495. The reason for balance appearing as Rs. 24,48,06,020 is on account of cheque issued but not presented for payment and cheques deposited but not cleared appearing in bank reconciliation statement as on 31st March 2023. Net impact of the entries appearing in bank reconciliation statement is Rs. 5,44,93,525.

8 Trade Payables (Amount in ₹)

Particulars	31st March 2023	31st March 2022
Micro, Small and Medium Enterprises	4,67,08,858	3,00,36,367
Others	32,37,35,579	32,54,77,335
Total	37,04,44,437	35,55,13,703



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

11 Property, Plant & Equipment and Intangible Assets

(Amount in ₹)

Name of the Asset	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	01-Apr-22	Additions	Deletions/ Adjustment	31-Mar-23	01-Apr-22	Deletions/ Adjustment	Dep for the year	31-Mar-23	31-Mar-23	31-Mar-22
Computers	12,24,056	53,390	-	12,77,446	7,32,559	-	3,23,490	10,56,049	2,21,357	4,91,497
Furniture & Fittings	14,53,642	-	-	14,53,642	4,58,874	-	2,67,539	7,16,413	7,37,229	9,94,768
Motor Cars	1,97,12,687	1,23,03,418	28,33,108	2,91,82,997	41,06,390	21,73,012	60,18,160	79,53,538	2,12,29,459	1,56,04,297
Office Equipments	41,33,488	3,90,303	-	45,23,791	20,39,745	-	10,07,072	30,46,817	14,76,974	20,83,743
Plant & Machinery	19,10,646	7,43,640	-	26,54,286	7,74,592	-	2,23,109	9,97,701	16,56,585	11,36,054
Property, Plant & Equipment	2,84,34,519	1,34,90,751	28,33,108	3,90,92,162	81,14,160	21,73,012	78,29,370	1,37,70,518	2,53,21,644	2,03,20,360
Total	2,84,34,519	1,34,90,751	28,33,108	3,90,92,162	81,14,160	21,73,012	78,29,370	1,37,70,518	2,53,21,644	2,03,20,360
Previous Year	-	2,35,94,870	30,596	2,35,64,274	-	-	32,43,915	32,43,915	2,03,20,360	-



9 Other Current Liabilities

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Payables for Expenses	48,27,684	1,00,58,375
Statutory Liabilities	6,85,586	8,46,124
Advances from Customers	14,84,719	41,00,474
Total	69,97,989	1,50,04,974

10 Short Term Provisions

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Provision for Dividend	8,333	17,250
Provision for IT	2,44,50,985	2,09,86,133
Total	2,44,59,318	2,10,03,383

12 Deferred Tax Assets

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
DTA on Fixed Assets and Other Timing Differences	15,37,011	4,30,968
Total	15,37,011	4,30,968

13 Other Non Current Assets

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Security Deposits	43,36,000	18,41,000
Total	43,36,000	18,41,000

14 Inventories

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Stock-in-Trade	87,73,10,579	53,94,30,478
Total	87,73,10,579	53,94,30,478



15 Trade Receivables

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Unsecured, considered good	33,59,77,704	34,73,57,500
Total	33,59,77,704	34,73,57,500

16 Cash and Cash Equivalents

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Balances with banks		
Current Accounts	1,70,892	92,85,593
Cash in hand	9,35,833	33,65,088
Total	11,06,725	1,26,50,681

17 Short Term Loan and Advances

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Prepaid Expenses	6,30,645	3,46,348
Advance IT	51,00,000	51,00,000
Advances to Suppliers	2,23,70,831	2,57,36,600
Other Advances	9,65,552	7,08,768
Total	2,90,67,028	3,18,91,716

18 Other Current Assets

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
GST Input	7,11,42,785	4,07,59,392
TDS Receivable	2,03,185	38,356
TCS Receivable	1,21,509	1,21,002
Total	7,14,67,479	4,09,18,750



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
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19 Revenue from Operations

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Sale of Goods	95,04,30,735	60,18,00,083
Export Sales	82,028	1,03,538
Total	95,05,12,763	60,19,03,621

20 Other Income

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
FXPC Difference	1,798	30
Duty Drawback	1,052	677
Interest Income	-	5,040
Rebate & Discount	44,970	2,38,906
Profit on FA Sale	4,55,986	-
Other Income	1,000	1,57,601
Income - Stock Correction	-	1,05,93,982
Short & Excess	29,443	
Total	5,34,249	1,09,96,236

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

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Opening Stock		
Stock-in-Trade	53,94,30,478	31,26,80,649
Less : Closing Stock		
Stock-in-Trade	87,73,10,579	53,94,30,478
Net Change	(33,78,80,101)	(22,67,49,829)

22 Employee Benefits Expenses

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Staff Salary	2,29,25,280	1,31,83,374
Director's Remuneration	46,80,000	31,20,000
Bonus	17,15,238	16,06,610
Gratuity	7,94,674	3,81,476
Leave Encashment	2,71,419	4,49,049
Staff Welfare Expenses	12,49,895	14,93,687
Total	3,16,36,506	2,02,34,196



23 Finance Costs

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Loan Charges	4,77,540	2,52,676
Interest on Loan	33,38,482	17,06,028
Interest on OD/CC Limit	1,54,95,872	52,96,561
Total	1,93,11,894	72,55,265

24 Other Expenses

(Amount in ₹)

Particulars	31st March 2023	31st March 2022
Advertisement Expenses	12,06,820	5,07,364
AMC Charges	-	281
Audit Fee	3,00,000	-
Bank Charges	26,689	-
Business Promotion Expenses	98,06,344	18,24,960
Bad debts Written off	-	1,05,727
Commission & Brokerage	54,13,002	60,46,417
Conveyance	1,71,241	72,268
Discount Allowed	71,98,965	36,77,849
Electricity Expenses	12,96,300	4,87,432
Factory Expenses	18,095	2,832
Festival Expenses	2,08,820	2,150
Freight & Cartage	38,04,835	16,82,556
Insurance Expenses	8,71,248	5,12,982
ITC Reversal	-	5,33,297
Late Fees & Penalties	500	-
Listing Expenses	90,000	-
Logistic Expenses	10,256	-
Loss on sale of FA	-	30,596
Membership & Subscription	39,550	-
Miscellaneous expenses	2,24,295	3,10,626
Mobile & Telephone Expenses	99,400	59,116
Other Expenses	22,52,227	15,90,908
Office Expenses	2,49,605	76,046
Other Selling & Distribution Expenses	2,11,292	4,870
Packing Expenses	32,89,398	20,80,251
Postage & Courier Expenses	4,06,829	1,93,240
Printing & Stationery Expenses	8,97,533	3,21,991
Professional Fee Expenses	18,35,449	3,42,460
Rent Expenses	1,39,29,500	78,38,625
Repair & Maintenance Expenses	47,48,097	4,300
Tax Expenses	23,94,535	22,49,741
Tour & Travel Expenses	13,60,877	2,56,233
Vehicle Running & Maintenance Expenses	5,16,852	2,50,556
Total	6,28,78,554	3,10,65,674



25 Earnings Per Share

Particulars	31st March 2023 (Rupees)	31st March 2022 (Rupees)
Net profit/(loss) for calculation of Basic EPS	6,93,59,534	4,88,47,401
Weighted average number of equity shares	63,30,000	63,30,000
Basic EPS (In Rupees)	10.96	7.72
Effect of Dilution	-	-
Diluted EPS (In Rupees)	10.96	7.72



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

26 Accounting Ratios

S.No.	Name of Related Parties	31st March 2023	31st March 2022	Change in %	Reason for change
a)	Current Ratio	1.98	1.90	4.45%	
b)	Debt-Equity Ratio	1.81	1.53	18.60%	
c)	Debt Service Coverage Ratio	3.62	10.66	-66.03%	New TL has been taken which resulted into increase in finance charges and loan repayment during the year
d)	Return on Equity Ratio	0.21	0.20	0.99%	
e)	Inventory Turnover Ratio	1.04	1.13	-8.02%	
f)	Trade Receivables Turnover Ratio	2.78	1.73	60.56%	In spite of increase in turnover from 60 cr to 90 cr approximately. The outstanding debtors are at same level as per last year.
g)	Trade Payables Turnover Ratio	2.96	1.99	48.56%	In spite of increase in purchases from 70 cr to 107 cr approximately. The outstanding creditors are at same level as per last year.
h)	Net Capital Turnover Ratio	1.46	1.31	11.47%	
i)	Net Profit Ratio	7.29%	7.97%	-8.49%	
j)	Return on Capital employed	11.88%	12.71%	-6.56%	
k)	Return on Investment	9.57%	7.70%	24.22%	



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

27 Related Party Transactions

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

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

Name	Relation
Kanav Gupta	CFO & Director
Neeraj Kumar Aggarwal	Managing Director
Shilpy Aggarwal	Director
Deepali Aggarwal	Employee
Riya Aggarwal	Employee

B. Summary of transactions with related parties is as follows:

(Amount in ₹)

Name of Related Parties	Nature of Transaction	31st March 2023	31st March 2022
Kanav Gupta	Loan Taken	-	3,09,74,163
Kanav Gupta	Loan Repayment	32,20,000	2,93,100
Kanav Gupta	Director Remuneration	6,00,000	4,00,000
Neeraj Kumar Aggarwal	Loan Taken	12,02,35,575	14,95,01,416
Neeraj Kumar Aggarwal	Loan Repayment	6,52,52,197	1,23,50,100
Neeraj Kumar Aggarwal	Director Remuneration	22,80,000	15,20,000
Neeraj Kumar Aggarwal	Rent	24,40,000	18,44,500
Shilpy Aggarwal	Loan Taken	65,65,575	5,27,33,334
Shilpy Aggarwal	Loan Repayment	60,56,767	-
Shilpy Aggarwal	Director Remuneration	18,00,000	12,00,000
Shilpy Aggarwal	Rent	30,00,000	20,00,000
Kanav Gupta	Reimbursement of Expenses	1,28,861	1,10,179
Neeraj Kumar Aggarwal	Reimbursement of Expenses	9,27,495	1,20,62,693
Riya Aggarwal	Reimbursement of Expenses	25,000	-
Deepali Aggarwal	Bonus	1,00,000	1,00,000
Riya Aggarwal	Leave Encashment	-	6,667
Deepali Aggarwal	Bonus	1,00,000	1,00,000
Riya Aggarwal	Leave Encashment	-	6,667
Deepali Aggarwal	Salary	11,69,240	8,00,000
Riya Aggarwal	Salary	12,00,000	8,00,000



C. Summary of balances with related parties as on year end is as follows:

(Amount in ₹)

Name of Related Parties	Nature of Transaction	31st March 2023	31st March 2022
Kanav Gupta	Loan	2,74,61,063	3,06,81,063
Kanav Gupta	Imprest	-	-
Kanav Gupta	Salary Payable	1,38,551	1,00,000
Neeraj Kumar Aggarwal	Loan	19,21,34,695	13,71,51,316
Neeraj Kumar Aggarwal	Rent	-	27,200
Shilpy Aggarwal	Loan	5,32,42,143	5,27,33,334
Shilpy Aggarwal	Salary Payable	77,000	4,21,000
Shilpy Aggarwal	Rent	-	5,60,500
Neeraj Kumar Aggarwal	Imprest	73,266	7,81,715
Deepali Aggarwal	Salary Advances	79,760	-
Riya Aggarwal	Salary Payable	1,80,000	-

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



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

28 Employee Benefits

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

(a) Defined contribution plans

-Provident fund

During the year, the Company has recognized Employer's contribution to provident fund amounting to Rs. 6,84,915 in the Statement of Profit and Loss .

b) Defined benefit plans

-Contribution to Gratuity funds

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

Economic Assumptions

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

Discount Rate

The discounting rate is generally based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities & salary growth rate. For the current valuation a discount rate of 7.36% p.a. compound, has been used in consultation with the employer.

Salary Growth Rate

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

Particulars	Gratuity (unfunded)	
	31st March 2023	31st March 2022
	(Amount in Rs.)	(Amount in Rs.)
Discount rate(per annum)	7.36%	7.18%
Future salary increase	6.00%	6.00%
Expected rate of return on plan assets	0.00%	0.00%
Mortality Table	100% of IALM (2012-14)	100% of IALM (2012-14)
Retirement age	60 years	60 years
Withdrawal rates		
Upto 30 years	5.00%	5.00%
31-44 Years	3.00%	3.00%
Above 44 Years	2.00%	2.00%
1. Expenses recognised in the statement of profit and loss		
Current service cost	7,50,627	3,81,476
Past service cost	-	-
Interest cost	27,390	-
Expected return on plan assets	-	-
Net actuarial(gain)/loss recognised in the year	16,657	-
Total expenses	7,94,674	3,81,476



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS

2. Net asset/(liability) recognised as at the end of the year		
Present value of defined benefit obligation	11,76,150	3,81,476
Fair value of plan assets	-	-
Funded status [surplus/(deficit)]	(11,76,150)	(3,81,476)
Net asset/(liability) as at the end of the year	(11,76,150)	(3,81,476)
3. Change in the present value of obligation during the year		
Present value of obligation as at the beginning of the year	-	-
Interest cost	27,390	-
Past service cost	-	-
Current service cost	7,50,627	3,81,476
Benefits paid	-	-
Actuarial (gains)/losses on obligation	16,657	-
Present value of obligation as at the end of the year	7,94,674	3,81,476



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

29 Contingent Liabilities And Commitments

A. Contingent Liabilities	NIL
B. Commitments	NIL

30 Segment Reporting

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

31 Impairment

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

32 Dues to MSME as defined under THE MSME ACT 2006

As per the information available and explanations provided to us and certified by the management, amounts due to any Micro, Small and Medium Enterprises which are outstanding for more than 45 days have been disclosed under ROC by MSME Return as required under the Micro, Small and Medium Enterprise Development Act, 2006.

33 Taxation

- (i) Provision for income tax is based on tax on taxable income calculated as per provisions of the Income Tax Act, 1961.
- (ii) The Company has created deferred tax of ₹ 11,06,043 during the current year by charging to the Statement of Profit and Loss and resulting into a net deferred tax asset of ₹ 15,37,011 as at March 31, 2023.



34 Foreign Exchange Disclosures

	31st March 2023 (Amount in ₹)	31st March 2022 (Amount in ₹)
(a) Value of imports calculated on CIF basis	1,26,158	-
(b) Expenditure in foreign currency	-	-
(c) Earnings in foreign currency	82,028	1,03,538
(d) Foreign Currency Receipts	82,028	1,03,568
(e) Foreign Currency Payments	-	-
(f) Exchange Difference Income/(expense)	1,798	30

35 Other Notes

- Debit and credit balances of trade payables, trade receivables, loans and advances to the extent not confirmed are subject to confirmation and reconciliation with the parties as at March 31, 2023.
- Value of current assets, loans and advances
As per the requirement of Schedule III, the Board of Directors have considered the values of all assets of the Company other than fixed assets, and have come to a conclusion that these have a value on realisation in the ordinary course of business which is not less than the value at which they are stated in the balance sheet.
- Past years TDS, TCS have been adjusted in the books. The same has been adjusted as per the various Assesment Orders. The amount to be recovered from the Income Tax Authority has been shown under the head 'Loans and Advances'.
- Previous year figures have been regrouped and rearranged whenever necessary to make them comparable.
- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- The company has not owned any immovable property as at balance sheet date.
- The company has not revalued its Property, Plant and Equipment during the year.
- The company has not given any Loans or Advances to its promoters, directors or related parties.
- The company does not have any benami property, where any proceedings has been initiated or pending against the company for holding any benami property.
- The company has not taken any borrowings from banks or financial institutions on the basis of security of current assets. Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts except the differences attached as Annexure 1.



- k) The Company is not declared willful defaulter by and bank or financial institution or lender during the year.
- l) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- m) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- n) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- o) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- p) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- q) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- r) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
 (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Signatures to Notes 1 to 35 of Financial Statements

"As per our Report of even date" For DE NEERS TOOLS LTD
 For & on behalf of Board of Directors



PARTNER
 M No : 095938
 For & on behalf of
Gautam Sehgal & Company
 Chartered Accountants
 FRN : 015736N
 PLACE : NEW DELHI
 DATED : 29/05/2023

Kanav Gupta
 Director

Kanav Gupta
 (Whole time)
 Director & CFO
 DIN : 06802701

For DE NEERS TOOLS LTD.

Neeraj Kumar Aggarwal
 Director

Neeraj Kumar
 Aggarwal
 (Managing Director)
 DIN : 08058134

DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

Annexure 1

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

S.No.	Particulars	Amount as per BS (Amount in ₹)	Amount declared with bank (Amount in ₹)	Difference (Amount in ₹)	Reason for Difference
1	Q1	66,36,78,645	66,40,17,809	(3,39,164)	On account of mistake in compiling and reconciling the data at the time of preparation of stock statement
2	Q2	66,38,52,095	66,02,43,668	36,08,427	



DE NEERS TOOLS LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2023

Aging Schedule - 31st March 2023

8.1 Trade Payables

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4,67,08,858	-	-	-	4,67,08,858
(ii) Others	31,91,14,882	46,20,697	-	-	32,37,35,579
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	36,58,23,740	46,20,697	-	-	37,04,44,437

15.1 Trade Receivables

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	26,03,95,962	7,36,77,953	19,03,789	-	-	33,59,77,704
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	26,03,95,962	7,36,77,953	19,03,789	-	-	33,59,77,704



Aging Schedule - 31st March 2022**8.2 Trade Payables**

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,00,36,367	-	-	-	3,00,36,367
(ii) Others	32,54,77,335	-	-	-	32,54,77,335
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	35,55,13,702	-	-	-	35,55,13,702

15.2 Trade Receivables

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - considered good	30,16,77,563	2,76,10,795	1,50,56,933	21,30,879	8,81,330	34,73,57,500
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-
Total	30,16,77,563	2,76,10,795	1,50,56,933	21,30,879	8,81,330	34,73,57,500



Dated: 29.05.2023

**To,
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400051**

NSE SYMBOL: DENEERS

Sub: Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

We, De Neers Tools Limited, a public limited Company having its registered office situated at PNo. 468, Ground Floor, Industrial Area Patparganj Delhi-110092 India, hereby declares that Statutory Auditor of the Company has issued unmodified opinion on Standalone Audited Financial Results for the year ended 31st March, 2023.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For DE NEERS TOOLS LIMITED

Neeraj Kumar
Aggarwal

Digitally signed by Neeraj Kumar
Aggarwal
Date: 2023.05.29 18:45:04 +05'30'

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

Place: New Delhi

