


**SHINING TOOLS LIMITED**

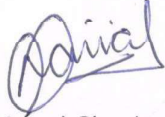
**BALANCE SHEET AS AT 31st MARCH, 2024**

Particulars	Note	Current Year	Previous Year
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	2,00,00,000	2,00,00,000
(b) Reserves and Surplus	2	2,49,88,528	53,54,786
(c) Money received against share warrants		-	-
		<b>4,49,88,528</b>	<b>2,53,54,786</b>
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	3,57,46,018	4,44,54,675
(b) Deferred tax liabilities (Net)	4	-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
		<b>3,57,46,018</b>	<b>4,44,54,675</b>
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	5	3,96,37,722	4,60,50,949
(b) Trade payables	6		
Micro and Small Enterprise		10,571	1,19,654
Other than Micro and small Enterprise		2,01,77,573	4,06,23,320
(c) Other current liabilities	7	82,42,300	86,95,874
(d) Short-term provisions	8	1,20,08,308	87,92,109
		<b>8,00,76,475</b>	<b>10,42,81,906</b>
<b>Total</b>		<b>16,08,11,021</b>	<b>17,40,91,368</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible Asset			
(i) Property, Plant & Equipment	9	6,59,77,286	5,92,12,618
(ii) Intangible assets		1,01,956	2,73,672
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	-	26,000
(c) Deferred tax assets (net)	4	8,28,593	7,13,657
(d) Long term loans and advances		-	-
(e) Other non-current assets	11	-	-
		<b>6,69,07,835</b>	<b>6,02,25,947</b>
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories	12	2,98,53,579	3,52,62,850
(c) Trade receivables	13	2,37,71,968	3,78,93,505
(d) Cash and cash equivalents	14	34,31,275	20,36,873
(e) Short-term loans and advances	15	1,45,85,489	2,34,14,227
(f) Other current assets	16	2,22,60,875	1,52,57,966
		<b>9,39,03,186</b>	<b>11,38,65,421</b>
<b>Total</b>		<b>16,08,11,021</b>	<b>17,40,91,368</b>

See accompanying notes to the financial statements  
For Shining Tools Limited

As per our report of even date  
For V S S B & Associates  
Chartered Accountants,  
FRN: 121356W

  
Vipul Ghonia  
Director  
DIN-06511100

  
Kamal Ghonia  
Director  
DIN-06511096

  
કિરણબેન વિપુલકુમાર ઘોળીયા  
Kiranben Ghonia  
Director  
DIN-08510856



  
Vishves A Shah  
Partner  
MRN: 109944  
UDIN: 24109944BKADCO8913

PLACE : RAJKOT  
DATE : 02/09/2024

Place : Ahmedabad  
DATE : 02/09/2024

**SHINING TOOLS LIMITED**

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

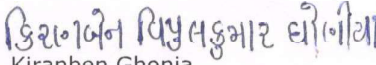
Particulars	Note No	Current Year	Previous Year
I. Revenue from operations	17	10,52,94,436	10,32,15,208
II. Other Income	18	7,47,763	12,83,737
<b>III. Total Revenue (I + II)</b>		<b>10,60,42,199</b>	<b>10,44,98,945</b>
<i>IV. Expenses:</i>			
Cost of materials consumed	19	2,02,10,813	2,72,30,813
Purchase of Stock-in-Trade	20	-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	34,06,827	24,99,027
Employee benefit expense	22	1,51,86,275	1,24,38,305
Financial costs	23	91,21,554	1,13,04,543
Depreciation and amortization expense	24	74,08,742	73,30,421
Other expenses	25	2,44,36,452	4,26,72,490
<b>Total Expenses</b>		<b>7,97,70,663</b>	<b>10,34,75,598</b>
V. Profit before exceptional and extraordinary items and tax	(III - IV)	2,62,71,536	10,23,347
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		2,62,71,536	10,23,347
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		2,62,71,536	10,23,347
X. Tax expense:			
(1) Current tax		67,32,275	5,33,189
(2) Deferred tax		(1,14,936)	(2,68,140)
(3) Shortfall of earlier years tax provision		20,455	-
XI. Profit(Loss) from the period from continuing operations	(VII-VIII)	1,96,33,742	7,58,298
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<b>1,96,33,742</b>	<b>7,58,298</b>
XVI. Earnings before interest, tax, depreciation and amortization		<b>4,20,69,246</b>	<b>1,89,54,661</b>
XVI. Earning per equity share:			
(1) Basic		9.82	0.38
(2) Diluted		9.82	0.38

See accompanying notes to the financial statements  
For Shining Tools Limited

As per our report of even date  
For V S B & Associates  
Chartered Accountants,  
FRN: 121356W

  
Vipul Ghonia  
Director  
DIN-06511100

  
Kamal Ghonia  
Director  
DIN-06511096

  
Kiranben Ghonia  
Director  
DIN-08510856



  
Vishves A Shah  
Partner  
MRN: 109944  
UDIN: 24109944BKADCO8913

PLACE : RAJKOT  
DATE : 02/09/2024

Place : Ahmedabad  
DATE : 02/09/2024

**SHINING TOOLS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR 2023-24**

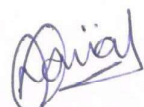
	Description	2023-24	2022-23
CASH FLOW FROM OPERATING ACTIVITIES	Net profit before tax	2,62,71,536	10,23,347
	<b>Adjustments for:</b>		
	Depreciation and non cash items-amortization	74,08,742	73,30,421
	Accumulated Loss from Gurgaon Branch	-	-
	Exchange differences on items under financing activities	-	-
	Income Tax debited in other expense to P&L	-	-
	Finance Charges	91,21,553	1,13,04,543
	Income tax paid	(5,33,189)	(6,38,187)
	PGVCL Deposit	-	-
	Reliance Industries Ltd Deposit	-	-
	United India Insurance Co. Deposit	-	-
	(Gain)/Loss on sale of assets	-	-
	(Increase)/Decrease in current assets	2,13,56,637	54,47,402
Increase/(Decrease) in current liabilities	(3,04,24,973)	4,05,095	
<b>NET CASH FLOW FROM OPERATING ACTIVITIES:</b>	<b>3,32,00,306</b>	<b>2,48,72,621</b>	
CASH FLOW FROM INVESTING ACTIVITIES	Capital Expenditures	(1,40,01,694)	(11,29,785)
	Acquisition in Other Co's	-	-
	Proceeds from Sales of Assets	-	2,50,000
	Purchases of Investments	-	-
	Sale of Investments	26,000	9,50,000
	Other Investment Activities	-	-
	<b>NET CASH USED FOR INVESTING ACTIVITIES:</b>	<b>(1,39,75,694)</b>	<b>70,215</b>
CASH FLOW FROM FINANCING ACTIVITIES	Proceeds from Borrowings (net of repayment and adjustment)	-	-
	Payments on Borrowings	(87,08,657)	(1,28,03,745)
	Dividends Paid to Shareholders	-	-
	Dividend Distribution Tax Paid	-	-
	Proceeds from Minority Interest	-	-
	Net Proceeds from shares	-	-
	Preliminary Expense	-	-
	Finance charges	(91,21,554)	(1,13,04,543)
<b>NET CASH USED FOR FINANCING ACTIVITIES:</b>	<b>(1,78,30,211)</b>	<b>(2,41,08,288)</b>	
	INCREASE / (DECREASE) TO CASH	13,94,401	8,34,549
	BEGINNING CASH BALANCE	20,36,873	12,02,324
	ENDING CASH BALANCE	34,31,274	20,36,873

For Shining Tools Limited

For V S S B & Associates

Chartered Accountants,  
FRN: 121356W

  
Vipul Ghonia

  
Kamal Ghonia

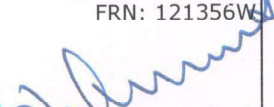
  
કિરનબેન વિપુલકુમાર ઘોળીયા  
Kiranben Ghonia

**Director**  
DIN-06511100

**Director**  
DIN-06511096

**Director**  
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Vishves A Shah

**Partner**  
MRN: 109944  
UDIN: 24109944BKADCO8913

PLACE : RAJKOT  
DATE : 02/09/2024

Place : Ahmedabad  
DATE : 02/09/2024

**Re: SHINING TOOLS LIMITED**

**CIN: U29220GJ2013PLC074803**

**Note:** (forming part of standalone financial statements for the year ended March 31, 2024)

**General Information:**

Shining Tools Limited is a Public Limited company domiciled in India having CIN: U29220GJ2013PLC074803. The registered office of the company is located at Survey No.63/2, Plot No. 2, Rajkot-Gondal Highway, At: Pipaliya, Tal: Gondal, Dist: Rajkot, Gujarat, India, 360311. The Company is engaged in the business of Manufacturing of cutting Tools & Jobwork of re – sharpening of tools.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**i. Basis of preparation of Financial statements:**

These standalone financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The standalone financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

**ii. Use of estimates:**

The preparation of standalone financial statements in conformity with the Generally Accepted Accounting Policies requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities. The estimates and assumptions used in the accompanying standalone financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the standalone financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known/ materialized.

**iii. Revenue recognition**

Having regard to size, nature and complexity of business and practices followed by others in the same line and level of business, the management is of opinion that Company is applying accrual basis of accounting for recognition of income and expenditure earned or incurred respectively, in the normal course of business.

**iv. Inventories**

Inventories are stated at the lower of cost or net realisation value.

**v. Employee benefits**

Short term benefits such as salary, bonus, ex-gratia and other benefits as may be applicable on the Company are accounted for on accrual basis. The Company at present does not have any Defined Contribution Plan or Defined Benefit Plan as contemplated under AS- 15 on 'Employee Benefits'



vi. **Taxes on income**

Tax Expenses comprise of Current and Minimum Alternate Tax. Current Tax is determined as the amount of tax payable on the taxable income for the year, using tax rates as per the relevant tax regulations and any adjustment to tax payable in respect of previous year.

Income-tax expense comprises current tax and deferred tax charge or credit. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets arising mainly on unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence.

Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets are reviewed to reassure realisation.

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled. Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company and its Indian subsidiaries will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will fructify.

vii. **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at the end of each reporting date and adjusted to reflect the current best estimates.

viii. **Property, Plant & Equipment (AS- 10)**

a. **Fixed Assets:-**

Fixed Assets are value at cost less depreciation. The depreciation has been calculated as prescribed in Companies Act, 2013 on single shift and if the Asset is purchased during the year depreciation is provided on the days of utilisation in that year.

b. **Depreciation on Fixed Assets:-**

Pursuant to Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Company has revised Depreciation rates on tangible fixed assets as per the useful life specified in part 'C' of schedule II of the Act. Depreciation on Fixed Assets is provided as per Straight Line method on the basis of useful life of assets specified and in the manner specified in the Schedule II of the Companies Act, 2013.

Tangible assets, if any are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until such assets are ready for use.



Depreciation has been charged on cost of fixed assets, adopting the following methods / rates:

1. On straight line method over the remaining useful life of the assets as prescribed under Schedule II to the Companies Act, 2013 or as estimated by the Management.
2. If the cost of a part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately for depreciation.
3. For other assets acquired / sold during the year pro-rata charge has been made from the date of first use or till the date of sale.

ix. **Cash and cash equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

x. **Auditor's Remuneration: (In Thousands)**

Particulars	2023-24	2022-23
Audit Fees	16.00	2.50

xi. **Details of Foreign Exchanges Earnings and Out Go:- (In Thousands)**

Sr No	Particulars	31st March, 2024	31st March, 2023
1	Foreign Exchange Earning	-	-
2	Foreign Exchange Out Go	-	1541.80

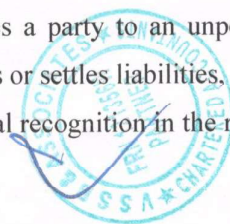
Details of foreign exchange mentioned above are certified and provided by the Management of the company.

xii. **The Effect of changes in Foreign Exchange Rates:**

An enterprise may carry on activities involving foreign exchange in two ways. It may have transactions in foreign currencies or it may have foreign operations.

**Initial Recognition:**

A foreign currency transaction is a transaction which is denominated in or requires settlement in a foreign currency, including transactions arising when an enterprise either: (a) buys or sells goods or services whose price is denominated in a foreign currency; (b) borrows or lends funds when the amounts payable or receivable are denominated in a foreign currency; (c) becomes a party to an unperformed forward exchange contract; or (d) otherwise acquires or disposes of assets, or incurs or settles liabilities, denominated in a foreign currency. A foreign currency transaction should be recorded, on initial recognition 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 the transaction.

**At Balancesheet date**

(a) foreign currency monetary items should be reported using the closing rate. However, in certain circumstances, the closing rate may not reflect with reasonable accuracy the amount in reporting currency that is likely to be realised from, or required to disburse, a foreign currency monetary item at the balance sheet date, e.g., where there are restrictions on remittances or where the closing rate is unrealistic and it is not possible to effect an exchange of currencies at that rate at the balance sheet date. In such circumstances, the relevant monetary item should be reported in the reporting currency at the amount which is likely to be realised from, or required to disburse, such item at the balance sheet date; (b) non-monetary items which are carried in terms of historical cost denominated in a foreign currency should be reported using the exchange rate at the date of the transaction; and (c) non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency should be reported using the exchange rates that existed when the values were determined.

**xiii. Cash Flow Statement (AS-3)**

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

xiv. In the opinion of the Board, 'Trade Receivables', 'Loans and Advances' and 'Other Current Assets' are approximately of the value stated if realized in the ordinary course of business. Confirmation Letters have not been obtained in respect of Trade Receivable, Trade Payables, loans taken and loan/advances given. Accordingly, such balances are subject to confirmation, reconciliation and consequent adjustments, if any

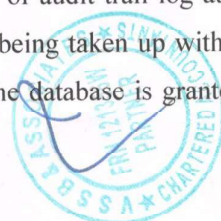
**xv. Related Party Disclosure:**

List of related parties where control exists and also related parties with whom transactions have taken place and relationships, has been disclosed in *Annexure – I* to the Notes to Accounts.

**xvi. Other Note:**

As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained evolved during the year and continues to evolve.

In the company, the accounting software has a feature of audit trail, but it was disable at an application level for maintenance of books of accounts and relevant transactions. However, the global standard ERP used by the Company has not been enabled with the feature of audit trail log at the database layer to log direct transactional changes, due to present design of ERP. This is being taken up with the vendor. In the meanwhile, the Company continues to ensure that direct write access to the database is granted only via an approved change management process.



xvii. As certified by the company that it was received written representation from all the directors, that companies in which they are directors had not defaulted in terms of section 164(2) of the companies Act, 2013, and the representation from directors taken in Board that Director is disqualified from being appointed as Director of the company.

xviii. **Contributed Equity**

Equity shares are classified as equity.

**Earnings per Share**

Basic earnings per share is calculated by dividing:

-the profit attributable to the owners group

-by the weighted average number of equity shares outstanding during the year.

**1.2 NOTES FORMING PART OF ACCOUNTS**

- (i) Balance of cash on hand at the end is accepted as certified by the management of the company
- (ii) The figures of the previous year are regrouped as and where required from the report of the previous auditor.
- (iii) Balance of Sundry Debtors, Creditors, Loans & advances are subject to confirmation of the parties taken by Management.

For and on behalf of the board of directors

**For, Shining Tools Limited**

As per our attached report of even date

**For, V S S B & Associates,**

Chartered Accountants

Firm No.121356W



**Vipul Ghonia**

(Director)

(DIN: 06511100)



**Kamal Ghonia**

(Director)

(DIN: 06511096)



**(Vishves A. Shah)**

(Partner)

M No:-109944

UDIN: 24109944BKADCO8913

કિરણબેન વિપુલકુમાર ઘોળીયા  
**Kiranben Ghonia**

(Director)

(DIN: 08510856)

Place: Rajkot

Date: 02/09/2024

Place: Ahmedabad

Date: 02/09/2024



## Annexure I

### Related Party Disclosure:

- Directors & Key Managerial Personnel:-

No.	Name of Key Managerial Personnel	Designation / Relationship
1.	Vipulbhai Laljibhai Ghonia	Director
2.	Kamalbhai Laljibhai Ghonia	Director
3.	Kiranben Vipulbhai Ghonia	Director
4.	Shine Engineering	Relatives of KMP
5.	Shine Industries	Relatives of KMP
6.	Priti Ghonia	Relative of KMP
7.	Laljibhai Ghonia	Relatives of KMP
8.	Shining Machining Solution	Relatives of KMP
9.	Shining Technology	Relatives of KMP

- Related Parties Transactions:-

No.	Name of Personnel	Relationship	Nature of Transaction	Amount of Transaction
1	Vipulbhai Laljibhai Ghonia	Director	Remuneration	12,00,000
2	Kamalbhai Laljibhai Ghonia	Director	Remuneration	12,00,000
3	Kiranben Vipulbhai Ghonia	Director	Remuneration	12,00,000
4	Shining Machining Solution	Relatives of KMP	Loan Repayment	33,58,000
5	Shine Technology	Relatives of KMP	Loan Repayment	10,35,715
6	Vipulbhai Laljibhai Ghonia	Director	Interest	26,78,284
7	Kamalbhai Laljibhai Ghonia	Director	Loan Accepted	3,78,32,500



8	Kiranben Vipulbhai Ghonia	Director	Loan Accepted	15,85,000
9	Vipulbhai Laljibhai Ghonia	Director	Loan Repayment	61,33,054
10	Priti Ghonia	Relative of KMP	Interest	10,332
11	Laljibhai Ghonia	Relative of Director	Interest	6,66,589
12	Priti Ghonia	Relative of KMP	Loan Accepted	23,52,000
13	Vipulbhai Laljibhai Ghonia	Director	Loan Accepted	67,07,000
14	Kamalbhai Laljibhai Ghonia	Director	Repayment of Loan	4,11,18,500
15	Kiranben Vipulbhai Ghonia	Director	Repayment of Loan	6,40,000
16	Priti Ghonia	Relative of KMP	Repayment of Loan	23,51,750
17	Shine Engineering	Relatives of KMP	Machinery Purchased	75,00,000
18	Shine Industries	Relatives of KMP	Machinery Purchased	65,00,000

