

Electrosteel Brasil Ltda Tubos e Conexoes Duteis			
Balance Sheet as at 31st March 2023			
		Amount in Brazilian Real	
Particulars		As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
(a) Financial Assets			
(i) Cash and cash equivalents		21,95	21,95
Total Assets		21,95	21,95
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital		150.000,00	150.000,00
(b) Other Equity		- 487.610,30	- 487.610,30
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		337.632,25	337.632,25
Total Equity and Liabilities		21,95	21,95


ELECTROSTEEL
 ELECTROSTEEL BRASIL LTDA.
 CNPJ: 17.581.655/0001-01

Director

Electrosteel Brasil Ltda Tubos e Conexoes Duteis			
Statement of Profit and Loss for the year ended 31st March 2023			
Particulars	Amount in Brazilian Real		
	As at March 31, 2023		As at March 31, 2022
I Revenue From Operations	-		-
II Other Income	-		-
Total Income	-		-
EXPENSES			
Other expenses	-		-
Total expenses	-		-
Profit/(loss) before tax	-		-
Tax expense:			
(1) Current tax	-		-
(2) Deferred tax	-		-
Profit/(loss) for the period	-		-
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-		-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-		-
B (i) Items that will be reclassified to profit or loss	-		-
(ii) Income tax relating to items that will be reclassified to profit or loss	-		-
Total Comprehensive Income for the period	-		-

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ELECTROSTEEL BRASIL LTDA TUBOS E CONEXOES DUTEIS
Notes to the Financial Statements for the Year ended 31st March 2023

1 Description of Organisation

Electrosteel Brasil LTDA Tubos E Conexoes Duteis is a private company limited by shares and incorporated in Brasil, Registration no 17.581.655/0001-01 Its registered office is located at Sao Paulo (Bela Vista)

The company is principally engaged in the supply of ductile iron pipes and fittings.

2 Summary of Significant Accounting Policies

The Financial Statements have been prepared under the historical cost convention on accrual basis unless otherwise specified within these accounting policies.

2,1 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Items of Income/Expenditure are recognised on accrual basis, except specifically stated otherwise.

2,2 Inventory

Stocks are stated at lower of cost and net realisable value, being the estimated selling prices less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If the stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Profit and Loss Account.

2,3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2,4 Cash and Cash Equivalents

For Financial Statement purposes, the company considers cash and cash equivalents to include all investments with an original maturity of ninety days or less.

2,5 Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or deemed cost on the date of transition and subsequent improvements thereto less accumulated depreciation and impairment losses, if any.

2,6 Depreciation of Tangible Fixed Assets

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using a straight line method.

Gain/loss on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Profit and Loss account.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

2,7 Current tax and Deferred tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2,8 Provisions, Contingencies and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events, it is probable that there will be an outflow of resources and a reliable estimate can be made, of the amount of obligation. Contingent assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed by way of notes.

2,9 Financial assets and financial liabilities

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

2,10 Figures for Previous period have been rearranged and/or regrouped wherever considered necessary.

ELECTROSTEEL BRASIL LTDA TUBOS E CONEXOES DUTEIS
Notes to the Financial Statements for the Year ended 31st March 2023

Amount in Brazilian Real

Particulars	As at March 31st, 2023	As at March 31st, 2022
3 Cash and Cash Equivalents		
Balances with banks	21,95	21,95
	<u>21,95</u>	<u>21,95</u>
4 Equity Share Capital		
Equity share, BRL 1 each		
150000 equity shares fully paid up	150.000,00	150.000,00
	<u>150.000,00</u>	<u>150.000,00</u>
5 Other Equity		
Debit balance in Profit and Loss Account	- 487.610,30	- 487.610,30
	<u>- 487.610,30</u>	<u>- 487.610,30</u>
6 Borrowings		
Unsecured		
From related party	337.632,25	337.632,25
	<u>337.632,25</u>	<u>337.632,25</u>

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