CA. Ashok Thakkar CA. S. H. Shastri CA. Janak Shah
CA. Rutvij Vyas CA Hemal Vaghani CA. Hitesh Shah
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VCA & Associates
Chartered Accountants

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# INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF**
**INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED**

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying Financial Statements of **INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

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## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do notexpress any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's Responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is 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.

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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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial 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 the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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.

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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.

**Other Matters:**

Your attention is invited to note no 6, 11, 20, 35 and 45 regarding Property, Plant and Equipment, Deposits, Other Current Financial Assets, Other Current liabilities, exceptional items respectively.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company sofar as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specifiedunder Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualifiedas on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with therequirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has disclosed the impact of pending litigations on its financial position inits Financial Statements. - Refer Note no – 48.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriatein the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not proposed dividend for the current year and has not declared any for the previous year hence no need to report compliance with Section 123 of the Act.

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2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For,
**VCA & ASSOCIATES**
Chartered Accountants
FRN: 114414W

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**CA. ASHOK THAKKAR**
(Partner)
Membership No. :048169
Place: Vadodara
Date: 23.05.2023
**UDIN**: **23048169BGYENJ1168**

**ANNEXURE "A" TO THE Draft INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED of even date)**

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

We have audited the internal financial controls over financial reporting of **INDUTCH COMPOSITES TECHNOLOGY PRIVATE LIMITED** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

The Management of the Company 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 (the "ICAI"). 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 Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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.

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### Meaning of Internal Financial Controls Over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, to the best of our 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 March 31, 2023, based on the criteria for internal financial control over financial reporting 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 ICAI.

For,
**VCA & ASSOCIATES**
Chartered Accountants
FRN: 114414W

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**CA. ASHOK THAKKAR**
(Partner)
Membership No.: 048169
Place: Vadodara
Date: 23.05.2023
**UDIN: 23048169BGYENJ1168**

**Annexure – B to Independent Auditor's Report**

The Annexure referred to in paragraph V(i) under "Report on Other Legal and Regulatory Requirements" in Independent Auditors' Report to the members of the Company on the Standalone Ind-AS Financial Statements for the year ended 31 March 2023, we report that:

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has in general maintained proper records showing full particulars, including quantitative details and situation of Property Plant & Equipment (PPE), relevant details of Right-of-use Assets.

(B) The company maintains proper records showing full particulars of Intangible Assets.

(b) According to information and explanation given to us, and on examination of records, the company has a regular programme of physical verification of the Property Plants and Equipment (PPE) by which PPE are verified in Phased manner by the management which in our opinion is reasonable having regard to the size of the Company and nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) All the Title deeds of the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the company as at the balance sheet date.

(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) According to information and explanation given to us, and on examination of records, there have been no Proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988 as amended in 2016) and rules made there under.

(ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management and, in our opinion, the coverage and procedure of such verification by the management is appropriate; and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets; and there are discrepancies observed in the various statements submitted to bank, including revised statements, periodically by the company and upon observing it was felt such discrepancies are immaterial considering the relevance to the users and reviewers of the statements.

(iii) According to information and explanation given to us, and on examination of records, during the year the company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence Clause (a) to (f) is not applicable.

(iv) According to information and explanation given to us, and on examination of records, The Company has not granted any loans, made investments, or provided guarantees and securities as envisaged under Sec 185 & Sec 186 of the Act.

(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) The maintenance of cost records under sub- section (2) of section 148 of the Companies Act, 2013 is not applicable. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) (a) In our Opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services 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 applicable to it with the appropriate authorities.



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(b) where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending are mentioned below:

(Amount in Rs.)

| Name of Statute | Nature of Dues | Forum where Dispute is pending | Period to which the amount Relates (F.Y) | Gross Amount involved |
|---|---|---|---|---|
| Income Tax Act, 1961 | Regular Assessment | CIT (A) | A.Y 2014-15 | 23,58,360 |
| Income Tax Act, 1961 | Regular Assessment | CIT (A) | A.Y 2016-17 | 14,71,768 |
| Income Tax Act, 1961 | Regular Assessment | CIT (A) | A.Y. 2018-19 | 1,13,95,304 |

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest there on to the lenders.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to information and explanation given to us, and over all examination of records, the term loans were applied for the purpose 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) As the company does not have any subsidiaries, Associates or joint venture hence reporting on clause 3(ix)(e) of the Order is not applicable.

(f) As the company does not have any subsidiaries, Associates companies or joint venture hence reporting on clause 3(ix)(e) of the Order is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (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 not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) 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 up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under clause (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, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We haven't considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, 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), (b) and (c) of the Order is not applicable.

(b)As there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and

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accordingly 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) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The Company has no of ongoing projects, so Reporting under this clause is not applicable

For,
**VCA & ASSOCIATES**
Chartered Accountants
FRN: 114414W

**CA. ASHOK THAKKAR**
(Partner)
Membership No. : 048169
Place: Vadodara
Date: 23.05.2023
**UDIN: 23048169BGYENJ1168**

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Notes to the financial statements

**1 Corporate information:**

Indutch Composites Technology Private Limited was incorporated in 2010 as private limited Company and presently has registered office at 401, Pawan Complex, 9 Prakash Colony, Jetalpur Road, Alkapuri Vadodara, Gujarat-390007. The company is a leading manufacturer of Composite Moulds and related solutions provider in wind energy sector - having facilities at Vadodara and Chennai.

As at March 31,2023, Munjal Auto Industries limited , the holding company owned 68% of the company's equity share capital.

**2 Recent accounting pronouncements**

MinistryofCorporateAffairs("MCA")notifies new standards or amendments to the existing standards under Companies (IndianAccountingStandards) Rules as issued from time to time.On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16–Property Plant and equipment** -The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, ifany, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property,plant,and equipment.The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions,Contingent Liabilities and ContingentAssets**–The amendment specifies that the'cost of fulfilling' a contract comprises the'costs that related directly to the contract'. Costs that related irectly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour,materials)or an allocation of other costs that related irectly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April1,2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

**3 Basis of preparation and presentation:**

**i. Statement of Compliance:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

**ii. Accounting Convention:**

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values and the defined benefit plans, at the end of each reporting period, as explained in the accounting policies below.

**iii. Operating Cycle:**

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**4 Significant Accounting Policies:**

**i. Property, plant and equipment:**

Property, plant and equipment (including furniture, fixtures, vehicles, etc.) held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Cost of acquisition is inclusive of freight, duties, taxes (other than those available for set off)and other incidental expenses.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as-other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the written down value method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

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Depreciation is charged on a pro-rata basis at the written down value method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act. Estimated useful

| Description | Years |
|---|---|
| Building | 30-60 |
| Lease Assets | over the lease period |
| Plant & Machinery | 15 |
| Furniture and Fixtures | 10 |
| Vehicles | 8 |
| Office Equipment | 5 |
| Computers | 3 |

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**iii Intangible Assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a written down value basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

**Company has estimated the useful life of such intangible assets for the period of 5 years - life as**

Intangible assets is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

**iv Impairment of tangible and intangible assets:**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

**v Inventories:**

Inventories are stated at the lower of cost and net realisable/ usable value. Finished goods and work-in-progress (along with Stock in transit and stock lying at customer's location) include appropriate proportion of overheads. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventory of stores and spare parts is valued at FIFO basis at cost or net realisable value, whichever is lower.

**Service Work in Progress**

Service Work in Progress is valued at lower of cost and net realisable value. Service Work in Progress represents closing inventory of parts/ consumables and labour consumed in Jobwork of Windmill Blades, as per contracted terms. Hence, this represents work performed under contractual liability in bringing this inventory to its present condition and location. Net realisable value is the contract price as per the Agreement.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

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**vii Revenue Recognition:**

On 28 March 2018, the MCA notified Ind AS 115, a new revenue recognition standard that replaces existing Ind AS 11 and Ind AS 18. Ind AS 115 is applicable from 1 April 2018, i.e., FY 2018–19. The core principle of Ind AS 115 is that revenue needs to be recognised when an entity transfers the control of goods and services to customers at an amount that the entity expects to be entitled. The application of the standard does not have any significant Impact on the retained earnings as at 1st April, 2018 or on these financial statements.

(a) Revenue from the sale of goods and or services is recognised when :

-the Company has entered into a contract for supply of goods or services with an identifed customer;

-the amount of revenue can be measured reliably;

-the Company has perfomed its intended obligation;

- upon acceptence of relevant tests Company passes on managerial/ effective control;

-it is probable that the economic benefits associated with the transaction will flow to the Company

-As per Ind AS115 the mobilization advances received, free of interest, from customers, are not subjected to discounting, As the company considers the objective behind the transaction to be that of ensuring and protecting timely execution of the project and not deriving financial benefit IN the nature of interest. company also considers retention money held by customer to be protection IN nature and hence also not considered for discounting.

-Duty drawback are reflected upon reasonable assurance and approval

**(b) Dividend and interest income:**

Dividend income from investments is recognised when the right to receive payment has been established.

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**vi. Leases:**

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether thetransaction conveys the right to use that asset to the Company in return for payment. Where this occurs, the arrangement is deemed to include a lease and is accounted for either as finance or an operating lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership and or the present value of minimum lease payments substantially cover fair value of the asset. All other leases are classified as operating leases.

Assets taken on lease by the Company in its capacity as lessee.at the commencement of lease term, company has recognised such lease as assets and liabilites in the balance sheet at the present value of lease payments to be made over the period of time( except short term lease or low value assets) .

**vii. Foreign Currency Translation**

i. Functional and presentation currency

Items included in the financial statements are measured in currency of primary environment in which the company operates and hence the statements are presented in Indian Rupees (INR).

ii Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates, on the date of the transactions and balances are restated at the reporting date, and any differences there on are recognised on Net basis within Other Income, in the Statement of Profit and Loss.

**viii. Borrowing costs:**

Long term Borrowings are initially recognised at fair value, net of transaction costs incurred, which are subsequently measured at amortised costs.

Borrowings are derecognised when he obligation specified in the contract is disharged, cancelled or expired and the difference between carrying amount of liability alongwith its relevent Asset adjusted will be recognised as either the Profit or Loss in Other Income.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

ix. **Employee Benefits:**

**(a) Short-term employee benefits:**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives and compensated absences which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

**(b) Post-employment Benefits:**

**(1) Defined Contribution Plan:**

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

**(2) Defined Benefit Plan:**

Defined retirement benefit plans comprising of gratuity are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss except those included in cost of assets as permitted.

Remeasurement of defined retirement benefit plans comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to the Statement of Profit and Loss.

The retirement benefit obligation recognised in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**(c) Other long term employee benefits:**

The obligation for long term employee benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the company and is recognised in a similar manner as in the case of defined benefit plans vide (b)(2) supra.

Long term employee benefit costs comprising current service cost, interest cost implicit in long term employee benefit cost and gains or losses on curtailments and settlements, re-measurement including actuarial gains and losses are recognised in the Statement of Profit and Loss as employee benefit expenses.

x. **Income Taxes:**

Income tax expense represents the sum of the current tax and deferred tax.

**(a) Current Tax:**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

**(b) Deferred Tax:**

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

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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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

**(c) Current and deferred tax for the year :**

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**xi. Provisions, Contingent Liabilities and Contingent Assets:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value (at long term effective rate as last availed term finance)of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

**Product Warranty expenses:**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature and cost of warranty claims, where availables otherwise as per management estimates regarding possible future incidences based on type of products and its failure expcetations. The timing of outflows will vary as and when warranty claim will arise, being liable up to three years.

**xii. Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Statement of Profit and Loss are recognised immediately in the Statement of Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**xiii. Financial Assets:**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

**(a) Financial assets at amortised cost:**

Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.

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**(b) Financial assets at fair value through Profit or Loss:**
Financial assets are measured at fair value through Profit or Loss (FVTPL) unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through Profit or Loss are immediately recognised in the Statement of Profit and Loss.

**(c) Impairment of financial assets:**
The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**(d) Derecognition of financial assets:**
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party, or when he company has no reasonable expectaion of recovering a financial asset in its entireity or a portion thereof.
On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference

**xiv. Financial Liabilities and Equity Instruments:**
Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(a) Financial liabilities:**
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs'.
Where the time value of money is significant, Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method .
Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

**(b) Equity instruments:**
An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

**(c) Derecognition of financial liabilities:**
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**xv. First-time adoption – mandatory exceptions and optional exemptions:**

**(a) Overall principle:**
The Company has prepared the opening Balance Sheet as per Ind AS as of April 1, 2016 ('the transition date') by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognised assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below.

**(b) Derecognition of financial assets and financial liabilities:**
The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1st April, 2017 (the transition date).

**(c) Impairment of financial assets:**
The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

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**(d) Deemed cost for property, plant and equipment and intangible assets:**
The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2016(transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**(e) Fair value measurement of financial assets and financial liabilities at initial recognition:**
The Company has applied the requirements in paragraph B5.1.2A (b) of Ind AS 109 prospectively to transactions entered into on or after the date of transition to Ind AS. This exemption has been availed by the Company.

**xvi. Statement of Cash Flows**

Cash Flows are reported using indirect method, whereby PAT 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 or items of income or expenses associated with investing or financing cash flows. The cash flows are segregated into a operating, Investing and Financing Activities.

**5 Critical Accounting Judgements and Key Sources of Estimation Uncertainty**

In the application of the Company accounting policies, which are described in note 3, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates are recorded for long term impacting values at the effective rate applicable to the company as per latest evaluation for its long term borrowings.

**(i) Critical judgments in applying accounting policies:**
The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:-

**(a) Evaluation of indicators for impairment of Property, Plant and Equipment:**
The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline asset's value, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

**(ii) Assumptions and key sources of estimation uncertainty:**

**(a) Assets and obligations relating to employee benefits:**
The employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

**(b) Useful lives of depreciable assets:**
Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2023 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

**(c) Estimation of provision for warranty:**
These estimates are established using technical information on the nature and cost of warranty claims, as per management estimates regarding possible future incidences based on type of products and its failure expcetations. The timing of outflows will vary as and when warranty claim will arise, being liable up to three years.

Management, also estimates regarding possible future outflow on servicing the customers for any corrective action in respect of product failure which is generally expected to be settled within a period upto 3 years, and the same has been carried forward into future at term borrowing effective interest rate, currently applicable.

The assumptions made in relation to the current period are consistent with those in the prior year, if any. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives.

**(d) Provision for slow moving and obsolete items in Inventory Valuation:**
Inventories are measured at the lower of cost and net realizable value. Write-down of inventories are calculated based on an analysis of foreseeable changes in demand, technology or market conditions to determine Obsolescence.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binavak Rath P L Sathinarayanan

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.
Balance Sheet as at 31st March,2023

(Amount in Rs.)

| Particulars | Note No | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 6 | 40,96,53,591 | 27,21,47,174 |
| (b) Capital work-in-progress | | - | 3,69,32,365 |
| (c) Investment Property | 7 | - | - |
| (d) Intangible Assets | 8 | 9,82,853 | 36,48,150 |
| (e) ROU Asset | 9 | 1,82,95,58,285 | 36,23,10,991 |
| (f) Financial Assets | | | |
| (i) Investments | 10 | - | - |
| (ii) Deposits | 11 | 15,09,44,881 | 14,23,76,255 |
| (g) Deferred Tax Assets (Net) | 12 | 9,19,17,137 | 79,30,285 |
| (h) Other non-current assets | 13 | 13,79,00,198 | 11,58,94,202 |
| **Total non-current assets** | | 2,62,09,56,945 | 94,12,39,422 |
| **(2) Current Assets** | | | |
| (a) Inventories | 14 | 1,64,57,12,414 | 70,52,74,540 |
| **(b) Financial Assets** | | | |
| (i) Investments | 15 | - | 2,67,308 |
| (ii) Trade receivables | 16 | 91,39,62,175 | 58,22,10,517 |
| (iii) Cash and cash equivalents | 17 | 10,33,227 | 16,64,654 |
| (iv) Other Bank Balances | 18 | 4,07,87,548 | 3,56,70,000 |
| (v) Loans / Deposits | 19 | 1,40,17,388 | 3,07,42,456 |
| (vi) Other Financial assets | 20 | 1,14,69,633 | 25,09,740 |
| (c) Current Tax Assets (net) | 21 | 4,90,94,211 | 3,15,33,589 |
| (d) Other current assets | 22 | 22,86,52,182 | 12,96,52,580 |
| (e) Non-Current Assets held for Sale | | - | - |
| **Total current assets** | | 2,90,47,28,777 | 1,51,95,25,383 |
| **Total assets** | | 5,52,56,85,722 | 2,46,07,64,805 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 23 | 4,21,54,940 | 4,21,54,940 |
| (b) Other Equity | 24 | 24,30,13,264 | 39,31,11,139 |
| **Total equity** | | 28,51,68,204 | 43,52,66,079 |
| **Liabilities** | | | |
| **(1) Non-Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 25 | 17,33,38,680 | 21,98,60,824 |
| (ii) Lease Liabilities | 26 | 1,76,17,38,194 | 35,17,97,892 |
| (iii) Other Financial liabilities | 27 | 28,12,50,000 | 17,75,80,000 |
| (b) Provisions | 28 | 7,24,30,810 | 5,36,91,578 |
| (c) Deferred Tax Liability (Net) | 29 | - | - |
| **Total non-current liabilities** | | 2,28,87,57,684 | 80,29,30,295 |
| **(2) Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 30 | 49,52,38,234 | 23,32,20,720 |
| (ii) Lease Liabilities | 31 | 21,39,60,886 | 6,94,43,618 |
| **(iii) Trade payables** | 32 | | |
| A) Due to Micro & Small enterprises | | 5,40,39,804 | 5,19,18,680 |
| B) Due to Other than Micro & Small enterprises | | 76,68,50,609 | 65,58,20,233 |
| (iv) Other Financial liabilities | 33 | 2,03,51,408 | 50,73,364 |
| (b) Current Tax Liabilities (net) | 34 | - | 3,75,62,425 |
| (c) Other current liabilities | 35 | 1,31,16,90,573 | 14,12,99,442 |
| (d) Provisions | 36 | 8,96,28,321 | 2,82,29,949 |
| **Total current liabilities** | | 2,95,17,59,834 | 1,22,25,68,431 |
| **Total** | | 5,52,56,85,722 | 2,46,07,64,806 |
| **Accompanying Notes to Financial Statements** | 1 to 58 | | |

**As per our report of even date attached**
**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**

**Place : Vadodara**
**22nd May,2023**

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**For and on behalf of the Board**

**Binayak Rath**
**Director**
**DIN: 02784819**

**P L Sathinarayanan**
**Director**
**DIN: 02852765**

**Place : Vadodara**
**22nd May,2023**

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.

Statement of Profit and Loss For the year ended 31st March, 2023

(Amount in Rs.)

| | Particulars | Note No. | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|---|---|---|---|
| I | Revenue from operations | 37 | 4,02,83,23,067 | 2,09,12,63,058 |
| II | Other income | 38 | 5,00,40,428 | 1,66,58,473 |
| III | **Total income (I+II)** | | **4,07,83,63,495** | **2,10,79,21,531** |
| IV | **EXPENSES** | | | |
| | Cost of materials consumed | 39 | 2,25,77,62,562 | 81,07,27,429 |
| | Changes in inventories of finished goods and work-in-progress | 40 | (66,39,21,264) | (16,02,78,127) |
| | Employee Benefits Expense | 41 | 99,70,77,569 | 50,49,35,269 |
| | Finance Costs | 42 | 25,90,98,470 | 10,08,64,470 |
| | Depreciation and amortization expense | 43 | 36,45,16,192 | 18,47,09,510 |
| | Other Expenses | 44 | 1,10,11,58,715 | 56,96,34,477 |
| | **Total expenses (IV)** | | 4,31,56,92,245 | 2,01,05,93,028 |
| V | **Profit before exceptional item and tax (III-IV)** | | **(23,73,28,750)** | **9,73,28,503** |
| | Exceptional Items | 45 | 48,35,174 | (67,64,649) |
| | **Profit Before Tax** | | **(23,24,93,576)** | **9,05,63,854** |
| VI | **Tax expense:** | 46 | (7,93,62,666) | 1,81,96,016 |
| | (a) Current tax relating to: Prior Period items | | | |
| | current year | | - | 3,75,62,425 |
| | earlier years | | 61,44,163 | (1,04,700) |
| | (b) Deferred tax | | (8,55,06,829) | (1,92,61,709) |
| VII | **Profit for the year (V-VI)** | | **(15,31,30,910)** | **7,23,67,838** |
| VIII | **Other comprehensive income (OCI)** | | | |
| | **Items that will not be reclassified to profit or loss** | | | |
| | (i) Re-measurement of the defined benefit plans | | 45,53,012 | 44,402 |
| | - tax impact | 46 | (15,19,978) | (12,353) |
| | | | 30,33,034 | 32,049 |
| IX | **Total comprehensive income for the year (VII+VIII)** | | **(15,00,97,875)** | **7,23,99,887** |
| X | Earnings per equity share: | 47 | | |
| | Basic (in Rs.) | | (35.61) | 17.17 |
| | Diluted (in Rs.) | | (35.61) | 17.17 |
| | **Accompanying Notes to Financial Statements** | 1 to 58 | | |

**As per our report of even date attached**
**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**

**Place : Vadodara**
**22nd May,2023**

**For and on behalf of the Board**

**Binayak Rath**
**Director**
**DIN: 02784819**

**P L Sathinarayanan**
**Director**
**DIN: 02852765**

**Place : Vadodara**
**22nd May,2023**

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.
Statement of Changes in Equity for the year ended on 31st March, 2023

**Equity Share Capital**

| Particulars | Amount in Rs. |
|---|---|
| **Balance as on 1st April, 2021** | **4,21,54,940** |
| Changes during the year | - |
| **Balance as on 31st March, 2022** | **4,21,54,940** |
| Changes during the year | - |
| **Balance as on 31st March, 2023** | **4,21,54,940** |

**Other Equity** (Amount in Rs.)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|---|---|---|---|---|---|
| | Security Premium | General Reserve | Retained Earnings | Re-measurement of defined benefit plans | |
| **Balance as at 1st April, 2021** | 25,12,65,272 | - | 6,14,67,203 | 79,78,777 | 32,07,11,252 |
| Profit / Addition for the year | - | - | 7,23,67,838 | | 7,23,67,838 |
| Re-measurement of defined benefit plans (net of tax) | - | - | | 32,049 | 32,049 |
| **Total comprehensive income for the year** | - | - | **7,23,67,838** | **32,049** | **7,23,99,887** |
| Payment of dividend | - | - | - | | - |
| Tax on dividends | - | - | - | | - |
| **Balance as at 31st March, 2022** | **25,12,65,272** | - | **13,38,35,040** | **80,10,827** | **39,31,11,139** |
| Profit / Addition for the year | - | | (15,31,30,910) | | (15,31,30,910) |
| Re-measurement of defined benefit plans (net of tax) | - | | | 30,33,034 | 30,33,034 |
| **Total comprehensive income for the year** | - | - | **(15,31,30,910)** | **30,33,034** | **(15,00,97,875)** |
| Utilised for issue of Bonus Shares (including issue expenses) | - | - | - | | - |
| Payment of dividend | - | - | - | | - |
| Tax on dividend | - | - | - | | - |
| **Balance as at 31st March, 2023** | **25,12,65,272** | - | **(1,92,95,869)** | **1,10,43,861** | **24,30,13,264** |

As per our report of even date attached

For VCA & Associates
Chartered Accountants
FRN:114414W

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

CA. Ashok R Thakkar
Partner
Membership No. 048169

Place : Vadodara
22nd May,2023

For and on behalf of the Board

Binayak Rath
Director
DIN: 02784819

P L Sathinarayanan
Director
DIN: 02852765

Place : Vadodara
22nd May,2023

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.

Statement of Cash Flows for the year ended 31st March, 2023

(Amount in Rs.)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|---|---|
| **[A] CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Profit before tax | (23,24,93,576) | 9,05,63,854 |
| **Adjustments for:** | | |
| Depreciation and amortisation expense | 36,45,16,192 | 18,47,09,510 |
| Interest to Banks / Financial Lease | 9,20,42,811 | 5,18,71,985 |
| Loss on Property, Plant and Equipment sold/discarded (net) | - | - |
| Unwinding of discount | 20,82,577 | 19,76,371 |
| Re-measurement of Defined benefit plans -Gratuity | 45,53,012 | 44,402 |
| Interest on Lease Liabilities | 16,45,22,247 | 4,88,84,208 |
| Interest Income | (24,55,484) | (28,12,816) |
| Dividend received | - | - |
| Net Profit on sale of Current Investments | - | - |
| Net gain on investments carried at fair value through Profit or Loss | 2,67,308 | (8,708) |
| Re-measurement of Defined benefit plans - Leave Enchasment | (72,17,339) | - |
| Unrealised foreign exchange loss/(gain) | - | - |
| **Operating Profit before changes in working capital** | 38,58,17,748 | 37,52,28,806 |
| **Adjustment for (Increase)/Decrease in Operating Assets** | | |
| Inventories | (94,04,37,875) | (43,46,50,493) |
| Trade Receivables | (33,17,51,658) | (13,47,05,459) |
| Other Financial Assets | 81,56,441 | (8,61,15,383) |
| Other Assets | (15,17,40,083) | (9,88,85,236) |
| **Adjustment for Increase/(Decrease) in Operating Liabilities** | | |
| Trade Payables | 12,03,68,839 | 45,08,91,241 |
| Provisions | 7,80,55,027 | 2,38,53,004 |
| Other Liabilities | 1,38,87,86,167 | 23,15,44,643 |
| **Cash flow from operations after changes in working capital** | 55,72,54,606 | 32,71,61,123 |
| Net Direct Taxes (Paid)/Refunded | (3,34,64,738) | (69,87,153) |
| **Net Cash Flow from/(used in) Operating Activities** | 52,37,89,868 | 32,01,73,970 |
| **[B] CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Property, Plant and Equipment including Capital Advances & CWIP | (16,50,02,035) | (8,54,31,918) |
| Proceeds from Sale of Property, Plant and Equipment | - | - |
| Purchase of Investments | - | - |
| Sale of Investments | - | - |
| Interest Income | 35,29,435 | 14,40,373 |
| Net Profit on sale of Current Investments | - | - |
| Bank Balances not considered as Cash and Cash Equivalents | (51,17,548) | (1,71,25,000) |
| **Net Cash Flow from/(used in) Investing Activities** | (16,65,90,148) | (10,11,16,545) |
| **[C] CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Repayment of Borrowings | (4,65,22,144) | (3,67,89,301) |
| Proceeds from Borrowings | 1,90,78,260 | (14,52,718) |
| Issue of Equity Share Capital | - | - |
| Payment of dividend distribution tax | - | - |
| Payment of Lease Liabilities | (30,67,27,617) | (14,19,20,256) |
| Net Increase/(Decrease) in Working Capital Borrowings | 24,29,39,255 | 6,36,64,112 |
| Interest Expenses | (25,65,65,058) | (10,07,56,193) |
| **Net Cash Flow from/(used in) Financing Activities** | (34,77,97,305) | (21,72,54,356) |
| **Net Increase/ (Decrease) in Cash and Cash Equivalents** | 94,02,415 | 18,03,069 |
| Cash & Cash Equivalents at beginning of year (see Note 1) | 20,79,786 | 2,76,717 |
| **Cash and Cash Equivalents at end of year (see Note 1)** | 1,14,82,202 | 20,79,786 |
| **Notes:** | | |
| **1 Cash and Cash equivalents comprise of:** | | |
| Cash on Hands | 1,24,737 | 88,366 |
| Balance with Banks | | |
| In Current Accounts | 1,13,57,465 | 19,91,420 |
| In Fixed Deposits | - | - |
| **Cash and Cash equivalents as restated** | 1,14,82,202 | 20,79,786 |

2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows", figures of the previous year have been regrouped / reclassified wherever nacessary.

**As per our report of even date attached**

**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**
**Place : Vadodara**
**22nd May,2023**

**For and on behalf of the Board**

| | |
|---|---|
| **Binayak Rath** | **P L Sathinarayanan** |
| **Director** | **Director** |
| **DIN: 02784819** | **DIN: 02852765** |
| **Place : Vadodara** | |
| **22nd May,2023** | |

**INDUTCH COMPOSITES TECHNOLOGY PVT LTD.**

**Balance Sheet as at 31st March,2023**

(Amount in Rs.)

| Particulars | Note No | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **(1) Non-Current Assets** | | | |
| (a) Property, Plant and Equipment | 6 | 40,96,53,591 | 27,21,47,174 |
| (b) Capital work-in-progress | | - | 3,69,32,365 |
| (c) Investment Property | 7 | - | - |
| (d) Intangible Assets | 8 | 9,82,853 | 36,48,150 |
| (e) ROU Asset | 9 | 1,82,95,58,285 | 36,23,10,991 |
| (f) Financial Assets | | | |
| (i) Investments | 10 | - | - |
| (ii) Deposits | 11 | 15,09,44,881 | 14,23,76,255 |
| (g) Deferred Tax Assets (Net) | 12 | 9,19,17,137 | 79,30,285 |
| (h) Other non-current assets | 13 | 13,79,00,198 | 11,58,94,202 |
| **Total non-current assets** | | 2,62,09,56,945 | 94,12,39,422 |
| **(2) Current Assets** | | | |
| (a) Inventories | 14 | 1,64,57,12,414 | 70,52,74,540 |
| **(b) Financial Assets** | | | |
| (i) Investments | 15 | - | 2,67,308 |
| (ii) Trade receivables | 16 | 91,39,62,175 | 58,22,10,517 |
| (iii) Cash and cash equivalents | 17 | 10,33,227 | 16,64,654 |
| (iv) Other Bank Balances | 18 | 4,07,87,548 | 3,56,70,000 |
| (v) Loans / Deposits | 19 | 1,40,17,388 | 3,07,42,456 |
| (vi) Other Financial assets | 20 | 1,14,69,633 | 25,09,740 |
| (c) Current Tax Assets (net) | 21 | 4,90,94,211 | 3,15,33,589 |
| (d) Other current assets | 22 | 22,86,52,182 | 12,96,52,580 |
| (e) Non-Current Assets held for Sale | | - | - |
| **Total current assets** | | 2,90,47,28,777 | 1,51,95,25,383 |
| **Total assets** | | 5,52,56,85,722 | 2,46,07,64,805 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 23 | 4,21,54,940 | 4,21,54,940 |
| (b) Other Equity | 24 | 24,30,13,264 | 39,31,11,139 |
| **Total equity** | | 28,51,68,204 | 43,52,66,079 |
| **Liabilities** | | | |
| **(1) Non-Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 25 | 17,33,38,680 | 21,98,60,824 |
| (ii) Lease Liabilities | 26 | 1,76,17,38,194 | 35,17,97,892 |
| (iii) Other Financial liabilities | 27 | 28,12,50,000 | 17,75,80,000 |
| (b) Provisions | 28 | 7,24,30,810 | 5,36,91,578 |
| (c) Deferred Tax Liability (Net) | 29 | - | - |
| **Total non-current liabilities** | | 2,28,87,57,684 | 80,29,30,295 |
| **(2) Current Liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 30 | 49,52,38,234 | 23,32,20,720 |
| (ii) Lease Liabilities | 31 | 21,39,60,886 | 6,94,43,618 |
| **(iii) Trade payables** | 32 | | |
| A) Due to Micro & Small enterprises | | 5,40,39,804 | 5,19,18,680 |
| B) Due to Other than Micro & Small enterprises | | 76,68,50,609 | 65,58,20,233 |
| (iv) Other Financial liabilities | 33 | 2,03,51,408 | 50,73,364 |
| (b) Current Tax Liabilities (net) | 34 | - | 3,75,62,425 |
| (c) Other current liabilities | 35 | 1,31,16,90,573 | 14,12,99,442 |
| (d) Provisions | 36 | 8,96,28,321 | 2,82,29,949 |
| **Total current liabilities** | | 2,95,17,59,834 | 1,22,25,68,431 |
| **Total** | | 5,52,56,85,722 | 2,46,07,64,806 |
| **Accompanying Notes to Financial Statements** | 1 to 58 | | |

**As per our report of even date attached**
**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**

**Place : Vadodara**
**22nd May,2023**

**For and on behalf of the Board**

**Binayak Rath**
**Director**
**DIN: 02784819**

**P L Sathinarayanan**
**Director**
**DIN: 02852765**

**Place : Vadodara**
**22nd May,2023**

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**INDUTCH COMPOSITES TECHNOLOGY PVT LTD.**

**Statement of Profit and Loss For the year ended 31st March, 2023**

**(Amount in Rs.)**

| | Particulars | Note No. | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|---|---|---|---|
| I | Revenue from operations | 37 | 4,02,83,23,067 | 2,09,12,63,058 |
| II | Other income | 38 | 5,00,40,428 | 1,66,58,473 |
| III | **Total income (I+II)** | | **4,07,83,63,495** | **2,10,79,21,531** |
| IV | **EXPENSES** | | | |
| | Cost of materials consumed | 39 | 2,25,77,62,562 | 81,07,27,429 |
| | Changes in inventories of finished goods and work-in-progress | 40 | (66,39,21,264) | (16,02,78,127) |
| | Employee Benefits Expense | 41 | 99,70,77,569 | 50,49,35,269 |
| | Finance Costs | 42 | 25,90,98,470 | 10,08,64,470 |
| | Depreciation and amortization expense | 43 | 36,45,16,192 | 18,47,09,510 |
| | Other Expenses | 44 | 1,10,11,58,715 | 56,96,34,477 |
| | **Total expenses (IV)** | | 4,31,56,92,245 | 2,01,05,93,028 |
| V | **Profit before exceptional item and tax (III-IV)** | | **(23,73,28,750)** | **9,73,28,503** |
| | Exceptional Items | 45 | 48,35,174 | (67,64,649) |
| | **Profit Before Tax** | | **(23,24,93,576)** | **9,05,63,854** |
| VI | **Tax expense:** | 46 | (7,93,62,666) | 1,81,96,016 |
| | (a) Current tax relating to: Prior Period items | | | |
| | current year | | - | 3,75,62,425 |
| | earlier years | | 61,44,163 | (1,04,700) |
| | (b) Deferred tax | | (8,55,06,829) | (1,92,61,709) |
| VII | **Profit for the year (V-VI)** | | **(15,31,30,910)** | **7,23,67,838** |
| VIII | **Other comprehensive income (OCI)** | | | |
| | **Items that will not be reclassified to profit or loss** | | | |
| | (i) Re-measurement of the defined benefit plans | | 45,53,012 | 44,402 |
| | - tax impact | 46 | (15,19,978) | (12,353) |
| | | | 30,33,034 | 32,049 |
| IX | **Total comprehensive income for the year (VII+VIII)** | | **(15,00,97,875)** | **7,23,99,887** |
| X | Earnings per equity share: | 47 | | |
| | Basic (in Rs.) | | (35.61) | 17.17 |
| | Diluted (in Rs.) | | (35.61) | 17.17 |
| | **Accompanying Notes to Financial Statements** | 1 to 58 | | |

**As per our report of even date attached**
**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**

**Place : Vadodara**
**22nd May,2023**

**For and on behalf of the Board**

**Binayak Rath**
**Director**
**DIN: 02784819**

**P L Sathinarayanan**
**Director**
**DIN: 02852765**

**Place : Vadodara**
**22nd May,2023**

VCA & ASSOCIATES
VADODARA
CHARTERED ACCOUNTANTS

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.
Statement of Changes in Equity for the year ended on 31st March, 2023

Equity Share Capital

| Particulars | Amount in Rs. |
|---|---|
| **Balance as on 1st April, 2021** | **4,21,54,940** |
| Changes during the year | - |
| **Balance as on 31st March, 2022** | **4,21,54,940** |
| Changes during the year | - |
| **Balance as on 31st March, 2023** | **4,21,54,940** |

Other Equity

(Amount in Rs.)

| Particulars | Reserves and Surplus | | | Other Comprehensive Income | Total |
|---|---|---|---|---|---|
| | Security Premium | General Reserve | Retained Earnings | Re-measurement of defined benefit plans | |
| **Balance as at 1st April, 2021** | 25,12,65,272 | - | 6,14,67,203 | 79,78,777 | 32,07,11,252 |
| Profit / Addition for the year | - | - | 7,23,67,838 | | 7,23,67,838 |
| Re-measurement of defined benefit plans (net of tax) | - | - | | 32,049 | 32,049 |
| **Total comprehensive income for the year** | - | - | **7,23,67,838** | **32,049** | **7,23,99,887** |
| Payment of dividend | - | - | - | | - |
| Tax on dividends | - | - | - | | - |
| **Balance as at 31st March, 2022** | **25,12,65,272** | - | **13,38,35,040** | **80,10,827** | **39,31,11,139** |
| Profit / Addition for the year | - | | (15,31,30,910) | | (15,31,30,910) |
| Re-measurement of defined benefit plans (net of tax) | - | | | 30,33,034 | 30,33,034 |
| **Total comprehensive income for the year** | - | - | **(15,31,30,910)** | **30,33,034** | **(15,00,97,875)** |
| Utilised for issue of Bonus Shares (including issue expenses) | - | - | - | | - |
| Payment of dividend | - | - | - | | - |
| Tax on dividend | - | - | - | | - |
| **Balance as at 31st March, 2023** | **25,12,65,272** | - | **(1,92,95,869)** | **1,10,43,861** | **24,30,13,264** |

As per our report of even date attached

For VCA & Associates
Chartered Accountants
FRN:114414W

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

CA. Ashok R Thakkar
Partner
Membership No. 048169

Place : Vadodara
22nd May,2023

For and on behalf of the Board

Binayak Rath
Director
DIN: 02784819

P L Sathinarayanan
Director
DIN: 02852765

Place : Vadodara
22nd May,2023

**INDUTCH COMPOSITES TECHNOLOGY PVT LTD.**

**Statement of Cash Flows for the year ended 31st March, 2023**

(Amount in Rs.)

| Particulars | For the year ended 31st March, 2023 | For the year ended 31st March, 2022 |
|---|---|---|
| **[A] CASH FLOW FROM OPERATING ACTIVITIES** | | |
| Profit before tax | (23,24,93,576) | 9,05,63,854 |
| **Adjustments for:** | | |
| Depreciation and amortisation expense | 36,45,16,192 | 18,47,09,510 |
| Interest to Banks / Financial Lease | 9,20,42,811 | 5,18,71,985 |
| Loss on Property, Plant and Equipment sold/discarded (net) | - | - |
| Unwinding of discount | 20,82,577 | 19,76,371 |
| Re-measurement of Defined benefit plans -Gratuity | 45,53,012 | 44,402 |
| Interest on Lease Liabilities | 16,45,22,247 | 4,88,84,208 |
| Interest Income | (24,55,484) | (28,12,816) |
| Dividend received | - | - |
| Net Profit on sale of Current Investments | - | - |
| Net gain on investments carried at fair value through Profit or Loss | 2,67,308 | (8,708) |
| Re-measurement of Defined benefit plans - Leave Enchasment | (72,17,339) | - |
| Unrealised foreign exchange loss/(gain) | - | - |
| **Operating Profit before changes in working capital** | 38,58,17,748 | 37,52,28,806 |
| **Adjustment for (Increase)/Decrease in Operating Assets** | | |
| Inventories | (94,04,37,875) | (43,46,50,493) |
| Trade Receivables | (33,17,51,658) | (13,47,05,459) |
| Other Financial Assets | 81,56,441 | (8,61,15,383) |
| Other Assets | (15,17,40,083) | (9,88,85,236) |
| **Adjustment for Increase/(Decrease) in Operating Liabilities** | | |
| Trade Payables | 12,03,68,839 | 45,08,91,241 |
| Provisions | 7,80,55,027 | 2,38,53,004 |
| Other Liabilities | 1,38,87,86,167 | 23,15,44,643 |
| **Cash flow from operations after changes in working capital** | 55,72,54,606 | 32,71,61,123 |
| Net Direct Taxes (Paid)/Refunded | (3,34,64,738) | (69,87,153) |
| **Net Cash Flow from/(used in) Operating Activities** | 52,37,89,868 | 32,01,73,970 |
| **[B] CASH FLOW FROM INVESTING ACTIVITIES** | | |
| Purchase of Property, Plant and Equipment including Capital Advances & CWIP | (16,50,02,035) | (8,54,31,918) |
| Proceeds from Sale of Property, Plant and Equipment | - | - |
| Purchase of Investments | - | - |
| Sale of Investments | - | - |
| Interest Income | 35,29,435 | 14,40,373 |
| Net Profit on sale of Current Investments | - | - |
| Bank Balances not considered as Cash and Cash Equivalents | (51,17,548) | (1,71,25,000) |
| **Net Cash Flow from/(used in) Investing Activities** | (16,65,90,148) | (10,11,16,545) |
| **[C] CASH FLOW FROM FINANCING ACTIVITIES** | | |
| Repayment of Borrowings | (4,65,22,144) | (3,67,89,301) |
| Proceeds from Borrowings | 1,90,78,260 | (14,52,718) |
| Issue of Equity Share Capital | - | - |
| Payment of dividend distribution tax | - | - |
| Payment of Lease Liabilities | (30,67,27,617) | (14,19,20,256) |
| Net Increase/(Decrease) in Working Capital Borrowings | 24,29,39,255 | 6,36,64,112 |
| Interest Expenses | (25,65,65,058) | (10,07,56,193) |
| **Net Cash Flow from/(used in) Financing Activities** | (34,77,97,305) | (21,72,54,356) |
| **Net Increase/ (Decrease) in Cash and Cash Equivalents** | 94,02,415 | 18,03,069 |
| Cash & Cash Equivalents at beginning of year (see Note 1) | 20,79,786 | 2,76,717 |
| **Cash and Cash Equivalents at end of year (see Note 1)** | 1,14,82,202 | 20,79,786 |
| **Notes:** | | |
| **1 Cash and Cash equivalents comprise of:** | | |
| Cash on Hands | 1,24,737 | 88,366 |
| Balance with Banks | | |
| In Current Accounts | 1,13,57,465 | 19,91,420 |
| In Fixed Deposits | - | - |
| **~~Cash and Cash equivalents as restated~~** | 1,14,82,202 | 20,79,786 |

2 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 "Statement of Cash Flows", figures of the previous year have been regrouped / reclassified wherever nacessary.

**As per our report of even date attached**

**For VCA & Associates**
**Chartered Accountants**
**FRN:114414W**

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

**CA. Ashok R Thakkar**
**Partner**
**Membership No. 048169**
**Place : Vadodara**
**22nd May,2023**

**For and on behalf of the Board**

| | |
|---|---|
| **Binayak Rath** | **P L Sathinarayanan** |
| **Director** | **Director** |
| **DIN: 02784819** | **DIN: 02852765** |
| **Place : Vadodara** | |
| **22nd May,2023** | |

**6 Property, Plant and Equipment** **(Amount in Rs.)**

| Particulars /Assets | Building | Capital Work in Progress | Plant & Equipment | Furniture & Fixtures | Vehicles | Office Equipment | Computers | Total |
|---|---|---|---|---|---|---|---|---|
| **GROSS BLOCK** | | | | | | | | |
| **At 31st March 2021** | **2,24,52,555** | **-** | **36,07,56,370** | **1,48,31,021** | **58,49,414** | **1,07,38,887** | **88,32,358** | **42,34,60,605** |
| Additions | 25,61,700 | 3,69,32,365 | 2,11,27,992 | 17,00,285 | 49,63,330 | 11,84,456 | 24,30,541 | 7,09,00,669 |
| Deduction/Adjustments | - | - | - | - | - | - | - | - |
| **At 31st March 2022** | **2,50,14,255** | **3,69,32,365** | **38,18,84,362** | **1,65,31,307** | **1,08,12,744** | **1,19,23,343** | **1,12,62,898** | **49,43,61,275** |
| Additions | 70,000 | - | 17,68,62,129 | 2,14,23,669 | - | 1,10,93,282 | 65,24,472 | 21,59,73,552 |
| Deduction/Adjustments | | 3,69,32,365 | | | | | | 3,69,32,365 |
| **At 31st March 2023** | **2,50,84,255** | **-** | **55,87,46,491** | **3,79,54,976** | **1,08,12,744** | **2,30,16,625** | **1,77,87,370** | **67,34,02,462** |
| **ACCUMULATED DEPRECIATION** | | | | | | | | |
| **At 31st March 2021** | **31,29,808** | **-** | **10,05,29,377** | **46,63,057** | **47,81,382** | **63,29,124** | **73,77,588** | **12,68,10,336** |
| **Charge for the year** | 10,29,378 | - | 5,07,76,021 | 29,96,561 | 11,78,098 | 9,96,671 | 14,94,671 | 5,84,71,400 |
| **Deduction/Adjustments** | - | - | - | - | - | - | - | - |
| **At 31st March 2022** | **41,59,186** | **-** | **15,13,05,398** | **76,59,618** | **59,59,480** | **73,25,795** | **88,72,259** | **18,52,81,736** |
| **Charge for the year** | 10,30,889 | - | 6,24,82,399 | 60,59,413 | 14,56,296 | 29,11,978 | 45,26,160 | 7,84,67,135 |
| **Deduction/Adjustments** | | | | | | | | - |
| **At 31st March 2023** | **51,90,075** | **-** | **21,37,87,797** | **1,37,19,031** | **74,15,776** | **1,02,37,773** | **1,33,98,419** | **26,37,48,871** |
| **Net Block** | | | | | | | | |
| At 31st March 2022 | 2,08,55,069 | 3,69,32,365 | 23,05,78,964 | 88,71,689 | 48,53,264 | 45,97,548 | 23,90,639 | 30,90,79,539 |
| At 31st March 2023 | 1,98,94,180 | - | 34,49,58,694 | 2,42,35,945 | 33,96,968 | 1,27,78,852 | 43,88,951 | 40,96,53,591 |

Notes:

1 The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of April 1, 2017 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

2 For details of property, plant and equipment given as security to lenders, refer Note No. 25.

3 The aggregate depreciation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

4 Net Carrying Value of Building comprises of:

| | 31st Mar, 2023 | 31st Mar, 2022 |
|---|---|---|
| **Asset held under Finance Lease** | | |
| Cost / Deemed Cost | 2,05,43,80,724 | 64,88,56,392 |
| Accumulated depreciation and Impairm | 43,68,30,973 | 21,83,57,605 |

5 The company has set up operations in the sullurpeta of Andhra Pradesh and Trichy of taminnadu during this financial year, the lease for the said operation is commence in the current F Y.

6 **Capital-Work-in Progress (CWIP)**

Capital work-in-progress ageing schedule for the year ended March 31, 2023 and March 31, 2022 is as follows

**(Amount in Rs.)**

| CWIP | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 Year | 1 -2 Years | 2 -3 Years | More than 3 years | Total |
| Project 1 ( Sullurpeta, Andhra Pradesh)* | 1,74,31,161 | - | - | - | 1,74,31,161 |
| Project 2 ( Trichy, Tamilnadu) | 1,95,01,204 | - | - | - | 1,95,01,204 |
| **At 31st March 2022** | **3,69,32,365** | - | - | - | **3,69,32,365** |
| Project 1 | - | - | - | - | - |
| Project 2 | - | - | - | - | - |
| **At 31st March 2023** | - | - | - | - | - |

* During the current financial year all projects are operationalise and put to use.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

INDUTCH COMPOSITES TECHNOLOGY PVT LTD.
**Notes to the financial statements**

**8 Intangible Assets** (Amount in Rs.)

| Particulars /Assets | Computer Software | Total |
|---|---|---|
| **GROSS BLOCK** | | |
| **At 31st March 2021** | **1,20,49,245** | 1,20,49,245 |
| Additions | 5,50,189 | 5,50,189 |
| Deduction/Adjustments | | - |
| **At 31st March 2022** | **1,25,99,433** | **1,25,99,433** |
| Additions | 20,09,169 | 20,09,169 |
| Deduction/Adjustments | | - |
| **At 31st March 2023** | **1,46,08,602** | **1,46,08,602** |
| | | |
| **ACCUMULATED AMORTISATION** | | |
| **At 31st March 2021** | **53,54,437** | 53,54,437 |
| Charge for the year | 35,96,846 | 35,96,846 |
| Deduction/Adjustments | - | - |
| **At 31st March 2022** | **89,51,283** | **89,51,283** |
| Charge for the year | 46,74,466 | 46,74,466 |
| Deduction/Adjustments | - | - |
| **At 31st March 2023** | **1,36,25,749** | **1,36,25,749** |
| | | |
| **Net Block** | | |
| At 31st March 2022 | 36,48,150 | 36,48,150 |
| At 31st March 2023 | 9,82,853 | 9,82,853 |

i) The Company has elected to continue with the carrying value of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

ii) The aggregate amortisation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

**9 Right of Use Assets** (Amount in Rs.)

| Particulars /Assets | Right of Use Assets | | Total |
|---|---|---|---|
| | Building | Plant & Equipment | |
| **As at 31st March, 2021** | **47,08,75,120** | - | **47,08,75,120** |
| Add : Addition of new assets | 1,40,77,135 | - | 1,40,77,135 |
| Less : Modification / Re-measurment | - | - | - |
| Less : Non-Current Assets held for Sale # | - | - | - |
| Less : Depreciation | 12,26,41,264 | - | 12,26,41,264 |
| Add : Adjustment | - | - | - |
| **As at 31st March, 2022** | **36,23,10,991** | - | **36,23,10,991** |
| Add : Addition of new assets | 1,40,55,24,332 | 34,30,97,553 | 1,74,86,21,885 |
| Less : Modification / Re-measurment | - | - | - |
| Less : Non-Current Assets held for Sale # | | - | - |
| Less : Depreciation | 21,84,73,368 | 6,29,01,223 | 28,13,74,591 |
| Add : Adjustment | | - | - |
| **At 31st March 2023** | **1,54,93,61,955** | **28,01,96,330** | **1,82,95,58,285** |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

Notes to Accounts

10 Investments

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Investments in Equity Instruments:** | | |
| Investments in Subsidiary (at Cost) | - | - |
| **Total** | - | - |

11 Deposits

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Unsecured, considered good** | | |
| Deposits | 15,09,44,881 | 14,23,76,255 |
| **Total** | **15,09,44,881** | **14,23,76,255** |

a) Deposits are in relation to public utilities and Lease Agreements towards Land & Building and Plant & Machinery.

b) However, The company has not taken exhustive search for information to assess significant increase in the credit risk since initial recognition.

12 Deferred Tax Liability (Net)

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Deferred Tax Assets ( Refer note no.29) | 9,19,17,137 | 79,30,285 |
| **Total** | **9,19,17,137** | **79,30,285** |

13 Other Non-Current Assets

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Unsecured, considered good** | | |
| Advance for Capex | - | 29,32,012 |
| Income Tax Refunds/Demands Receivables | 1,49,79,606 | 2,52,21,456 |
| Retention with Customer | 12,29,20,592 | 8,77,40,734 |
| **Total** | **13,79,00,198** | **11,58,94,202** |

14 Inventories

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Raw Materials | 60,65,10,774 | 33,46,91,302 |
| Work in Process | 23,25,56,855 | 18,31,80,848 |
| Finished Goods (Incl. Plug and Moulds) | 79,21,27,417 | 17,75,82,160 |
| Store and spares | 1,45,17,368 | 98,20,230 |
| **Total** | **1,64,57,12,414** | **70,52,74,540** |

(i) For details of Inventories given as security to lenders, refer Note No. 25.

(ii) The cost of inventories recognised as an expense is disclosed in Notes 39 and 40 in the Statement of Profit and Loss.

15 Investments

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Investment in Mutual Funds (Unquoted):** | | |
| DSP Liquidity fund - Regular plan -Growth | - | 2,67,308 |
| | **-** | **2,67,308** |

a) The above Mutual Funds are valued at the value declared by the AMC.

| Investments | As at 31st March, 2023 | | As at 31st March, 2022 | |
|---|---|---|---|---|
| Particulars | (Units in Nos) | (Amount in Rs.) | (Units in Nos) | (Amount in Rs.) |
| DSP Blackrock Microcap Fund | - | - | 88.572 | 2,67,308 |
| **Total** | - | - | **88.572** | **2,67,308** |

Aggregate value of unquoted Current Investments:

b) Sensitivity Analysis - Not Applicable as all units are sold during the financial year.

16 Trade receivables

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| -Unsecured, Considered good | 91,39,62,175 | 58,22,10,517 |
| -Credit impaired | - | - |
| **Total (A)** | **91,39,62,175** | **58,22,10,517** |
| Less: Impairment for doubtful trade receivables (B) | - | - |
| **Total (A-B)** | **91,39,62,175** | **58,22,10,517** |

(i) Above balance are subject to reconciliation / confirmation.

(ii) Generally, the Company enters into long-term sales arrangement with its customers. The average credit period is around 90 days.

(iii) At 31st Mar, 2023, the Company had 5 customers having outstanding more than 5% of total trade receivables that accounted for approximately 94.58%.of receivables outstanding.

(iv) In the Previous Financial Year 2021-22 Rs.67,64,649/- receivables have been derecognised since there is no reasonable expection of measurability in terms of its probability of the amount and timing or receivability. The same are shown as exceptional items.(Refer note no.45)

VASAN ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

(v) Movement of Impairment for doubtful trade receivables:

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Balance at beginning of the year | - | - |
| Addition in expected credit loss allowance on trade receivables | - | - |
| **Balance at end of the year** | - | - |

(vi) Age of receivables: refer note

**FY 2022-23**

**(Amount in Rs.)**

| Particulars | Unbilled receivables | Not due | 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 | |
| Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member | | | | | | | | - |
| <u>(i) Considered good – Unsecured</u> | - | - | - | - | - | - | - | - |
| (a) Undisputed Trade receivables | | | | | | | | - |
| **TOTAL of (1)** | - | - | - | - | - | - | - | - |
| Trade receivables other than (1) above | | | | | | | | |
| (i) Considered good – Unsecured | | | | | | | | - |
| (a) Undisputed Trade receivables | - | 73,20,50,073 | 14,10,44,461 | 1,94,50,140 | 1,22,06,206 | 92,11,295 | - | **91,39,62,175** |
| (b) Disputed Trade receivables | | | | | | | | - |
| Less: Allowance for bad and doubtful debts/ Allowance for expected credit loss | | | | | | | | - |
| <u>(ii) Trade Receivables – credit impaired</u> | | | | | | | | - |
| (a) Undisputed Trade receivables | | | | | | | | - |
| (b) Disputed Trade receivables | | | | | | | | - |
| Less: Allowance for bad and doubtful debts/ Allowance for expected credit loss | | | | | | | - | - |
| **TOTAL of (2)** | - | 73,20,50,073 | 14,10,44,461 | 1,94,50,140 | 1,22,06,206 | 92,11,295 | - | **91,39,62,175** |
| **GRAND TOTAL (1+2)** | - | 73,20,50,073 | 14,10,44,461 | 1,94,50,140 | 1,22,06,206 | 92,11,295 | - | **91,39,62,175** |

**Trade Receivables Ageing Schedules**

**FY 2021-22**

**(Amount in Rs.)**

| Particulars | Unbilled receivables | Not due | 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 | |
| Debts due by directors or other officers of the company, by firms or private companies respectively in which any director is a partner or a director or a member | | | | | | | | - |
| <u>(i) Considered good – Unsecured</u> | - | - | - | - | - | - | - | - |
| (a) Undisputed Trade receivables | | | | | | | | - |
| **TOTAL of (1)** | - | - | - | - | - | - | - | - |
| Trade receivables other than (1) above | | | | | | | | |
| (i) Considered good – Unsecured | | | | | | | | - |
| (a) Undisputed Trade receivables | - | 48,77,03,966 | 4,77,04,843 | 3,71,64,628 | 96,37,079 | - | - | **58,22,10,517** |
| (b) Disputed Trade receivables | | | | | | | | - |
| Less: Allowance for bad and doubtful debts/ Allowance for expected credit loss | | | | | 67,64,649 | | | **67,64,649** |
| <u>(ii) Trade Receivables – credit impaired</u> | | | | | | | | - |
| (a) Undisputed Trade receivables | | | | | | | | - |
| (b) Disputed Trade receivables | | | | | | | | - |
| Less: Allowance for bad and doubtful debts/ Allowance for expected credit loss | | | | | | | - | - |
| **TOTAL of (2)** | - | 48,77,03,966 | 4,77,04,843 | 3,71,64,628 | 28,72,430 | - | - | **57,54,45,868** |
| **GRAND TOTAL (1+2)** | - | 48,77,03,966 | 4,77,04,843 | 3,71,64,628 | 28,72,430 | - | - | **57,54,45,868** |

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

17 Cash and Cash Equivalents

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Balances with banks | | |
| In Current Accounts | 9,08,489 | 15,76,288 |
| Fixed Deposit | - | - |
| Cash on hand | 1,24,738 | 88,366 |
| Total | 10,33,227 | 16,64,654 |

18 Other Bank Balances

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Balances with banks | | |
| Deposit with bank held as margin money against Bank guarantee & LC | 4,07,87,548 | 3,56,70,000 |
| Total | 4,07,87,548 | 3,56,70,000 |

19 Current Loans

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Unsecured, considered good | | |
| Advance to Employees | 39,82,488 | 13,55,323 |
| Deposits | 1,00,34,900 | 2,93,87,133 |
| Other receivables | - | - |
| Total | 1,40,17,388 | 3,07,42,456 |

20 Other Current Financial Assets

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Unsecured, considered good | | |
| Escrow Accounts Balance # | 1,04,48,976 | 4,15,132 |
| Interest receivable | 10,20,657 | 20,94,608 |
| Total | 1,14,69,633 | 25,09,740 |

# Includes bank balance in ESCROW arrangement with customer

21 Current Tax Assets (Net)

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Current Tax Assets | | |
| Advance tax / TDS Receivable | 4,90,94,211 | 3,15,33,589 |
| Total | 4,90,94,211 | 3,15,33,589 |

(i)Presently Company is continuing with the current tax rate regime.

22 Other Current Assets

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Unsecured, considered good | | |
| Balance with Government Authorities* | 14,91,38,204 | 5,83,56,108 |
| Development Cost | - | 2,42,38,937 |
| Prepaid Expenses | 2,01,79,689 | 1,58,86,671 |
| Advance to Vendors | 5,93,34,289 | 3,11,70,864 |
| Total | 22,86,52,182 | 12,96,52,580 |

*Export IGST receivable on Deemed Export sales of Rs.1,79,24,905/- (PYRs.1,89,82,061/- ) and Stamp Duty receivables from Andhra Pradesh Govt.Rs.1,07,14,090/- (PY Rs.1,07,14,090/-)

23 Equity Share Capital

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Authorised Share capital | | |
| 50,00,000 Equity Shares of Rs. 10/- each | 5,00,00,000 | 5,00,00,000 |
| Issued, subscribed & fully paid share capital | | |
| 42,15,494 Equity Shares of Rs. 10/- each | 4,21,54,940 | 4,21,54,940 |
| Total | 4,21,54,940 | 4,21,54,940 |

(i) A reconciliation of number of shares outstanding at the beginning and at the end of reporting period is as under:

| Particulars | No. of Shares | Share Capital (in Rs.) |
|---|---|---|
| As at 1st April, 2020 | 42,15,494 | 4,21,54,940 |
| Additions/(Reductions) | - | - |
| As at 31st March,2021 | 42,15,494 | 4,21,54,940 |
| As at 1st April, 2021 | 42,15,494 | 4,21,54,940 |
| Additions/(Reductions) | - | - |
| As at 31st March,2022 | 42,15,494 | 4,21,54,940 |
| As at 1st April, 2022 | 42,15,494 | 4,21,54,940 |
| Additions/(Reductions) | - | - |
| As at 31st March,2023 | 42,15,494 | 4,21,54,940 |

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

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**(ii) Rights, preferences and restrictions attached to shares:**

For all matters submitted to vote in a shareholders meeting of the Company, every holder of an equity share as reflected in the records of the Company on the date of the shareholders meeting shall have one vote in respect of each share held. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date. In the event of liquidation of the Company all preferential amounts if any shall be discharged by the Company. The remaining assets of the Company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

**(iii) Details of shares held by holding company are classified as under:**

| Particulars | No. of shares | Extent of Holding |
|---|---|---|
| Munjal Auto Industries Ltd<br>As at 31st March, 2023 | 2866536 | 68.00% |

**(iv) Details of shareholders holding more than 5% shares in the Company are as under:-**

| Particulars | No. of shares | Extent of Holding |
|---|---|---|
| Binayak Rath | 674479 | 16% |
| Sathinarayanan Palaniappan | 674479 | 16% |
| Munjal Auto Industries Ltd. | 2866536 | 68% |

**(v) Shareholding of promoter**

| Particulars | No. of shares | % of total shares | % Change during the year |
|---|---|---|---|
| Munjal Auto Industries Ltd. | 2866536 | 68% | - |
| Binayak Rath | 674479 | 16% | |
| Sathinarayanan Palaniappan | 674479 | 16% | - |

**24 Other Equity** (Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Capital Reserve | - | - |
| General Reserves | 25,12,65,272 | 25,12,65,272 |
| Retained Earnings | (82,52,008) | 14,18,45,867 |
| **Total** | **24,30,13,264** | **39,31,11,139** |

**(i) Particulars relating to Other Equity:** (Amount in Rs.)

| Other Equity | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Capital Reserve** | | |
| Opening Balance | - | - |
| Add: Movements | - | - |
| Closing Balance (A) | - | - |
| **Securities Premiun** | | |
| Opening Balance | 25,12,65,272 | 25,12,65,272 |
| Addition during the year | - | - |
| Closing Balance (B) | **25,12,65,272** | **25,12,65,272** |
| **Retained Earnings** | | |
| Opening Balance | 14,18,45,867 | 6,94,45,980 |
| Add: Net profit after tax transferred from Statement of Profit & Loss | (15,31,30,910) | 7,23,67,838 |
| Add: Other Comprehensive income arising from re-measurement of defined benefit obligation net of income tax | 30,33,034 | 32,049 |
| Less: Final Dividend for year 2022-23 | - | - |
| Less: Tax on Final Dividend | - | - |
| Closing Balance ( C) | (82,52,008) | 14,18,45,867 |
| **Total (A+B+C)** | **24,30,13,264** | **39,31,11,139** |

**25 Borrowings** (Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Secured** | | |
| **Term Loans** | | |
| From Banks & Others | 17,33,38,680 | 21,98,60,824 |
| Interest Accrued but not Paid | - | - |
| **UnSecured** | | |
| Finance Lease | - | - |
| **Total** | **17,33,38,680** | **21,98,60,824** |

(i) Nature of security and terms of repayment for long term secured borrowings including current maturities: These loans are secured by Hypothication of plant and Machinery, Immovable Properties ( Having first charge), Personal Guarentee of Directors and pledge of Equity Shares of two WTD including their personal House Properties too .

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

Binayak Rath P L Sathinarayanan

| Term loans | Nature of Security | Current Maturities of each loan (Amount in Rs.) | Each Loan Outstanding (Amount in Rs.) |
|---|---|---|---|
| **From Banks:** | | | |
| **State Bank of India** | | | |
| **Loan II** | These loans are secured by Hypothication of plant and Machinery, Immovable Properties ( Having first charge), Personal Guarentee of Directors and pledge of Equity Shares of two WTD including their personal House Properties too . | 5,00,00,000<br>(4,00,00,000) | 21,24,83,095<br>(25,24,83,520) |
| **COVID19 (CECL) LOAN** | | -<br>(8,33,339) | -<br>(8,33,339) |
| **HDFC Bank Limited** | | | |
| **Auto Loan Account No:122578878** | This loan is secured by way of charge created on fixed assets -Car . | 6,71,481<br>(8,42,748) | 25,87,170<br>(32,10,272) |
| **Profectus Capital -NBFC** | | | |
| **Loan I** | This loan is secured by way of charge created on fixed assets - Machine (ROVER PLAST A FT 1531-HALOL) | 49,54,057<br>(51,91,056) | 53,83,921<br>(99,81,190) |

Previous year figures are in bracket

**(ii) The terms of repayment of the above loans are as follows:**

| Term Loans | Date of Maturity | Rate of Interest | No. of Instalments due after the balance sheet date | Each Instalment (Amount in Rs.) |
|---|---|---|---|---|
| From Banks: | | | | |
| State Bank of India | | | | |
| Loan II | March ,2027 | MCLR(8.30%)+1.00% | 16 | 1,25,00,000 |
| **HDFC Bank Limited** | | | | |
| Loan Account No:122578878 | September, 2026 | MCLR(8.30%)+2.00% | 42 | 70,229 |
| **Profectus Capital -NBFC** | | | | |
| Loan I | April , 2024 | 7.50% | 13 | 4,32,588 |

**26 Lease Liabilities** (Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Lease Liability | 1,76,17,38,194 | 35,17,97,892 |
| **Total** | **1,76,17,38,194** | **35,17,97,892** |

(i) Refer note no 55

**27 Other Financial liabilities** (Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **UnSecured** | | |
| Mobilization Advance from Customer | 28,12,50,000 | 17,75,80,000 |
| **Total** | **28,12,50,000** | **17,75,80,000** |

**28 Long-term provisions** (Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Provision for employee benefits (For details refer note no: 50) | | |
| Gratuity | 3,27,08,298 | 1,99,28,855 |
| Leave Encashment | 1,29,10,811 | 1,30,67,987 |
| Provision for warranties | 2,68,11,701 | 2,06,94,736 |
| **Total** | **7,24,30,810** | **5,36,91,578** |

**(i) Movement in warranties Provision:** (Amount in Rs.)

| Particulars | For the Year ended 31st March, 2023 | For the Year ended 31st March, 2022 |
|---|---|---|
| **Opening balance** | **2,11,10,627** | **1,76,95,084** |
| Additions during the year | 36,18,496 | 44,39,172 |
| Amount utilised during the year | - | - |
| Provision reversed during the year | - | (30,00,000) |
| Unwinding of discount on provisions | 20,82,577 | 19,76,371 |
| **Closing balance** | **2,68,11,700** | **2,11,10,627** |
| Long-term Provisions | 2,68,11,700 | 2,06,94,735 |
| Short-term Provisions | - | 4,15,892 |

The provision for warranty claims represents the present value as best estimate of the future economic benefits that will be required under the Company's obligations for warranties. The estimate has been made on the basis of historical warranty trends, where available otherwise based on managment estimates and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality.

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## 29 Deferred Tax Liability (Net)

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Deferred Tax Liabilities | - | - |
| **Total** | - | - |

**For the Financial Year 2022-23:**

(Amount in Rs.)

| Particulars | Opening Balance | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | Closing Balance |
|---|---|---|---|---|
| **Deferred tax asset on account of:** | | | | |
| Difference of Depreciation as per Books and Income Tax* | (1,09,81,066) | **(8,55,06,829)** | - | (9,64,87,895) |
| Expenses claimed for tax purpose on payment basis | 24,95,211 | - | **15,19,978** | 40,15,188 |
| MAT Credit entitlement | - | - | - | - |
| **Total Deferred Tax Assets (A)** | (84,85,855) | (8,55,06,829) | 15,19,978 | (9,24,72,707) |
| **Deferred tax liability on account of:** | | | | |
| Expenses claim for Tax on Payment Basis | (5,55,569) | - | - | **(5,55,569)** |
| Impact of discounting of Warranty Provisions | - | | | |
| Impact of recognition of assets under Ind AS | - | | | |
| Financial assets carried at fair value through profit or loss | - | - | - | - |
| **Total Deferred Tax Liabilities (B)** | (5,55,569) | - | - | (5,55,569) |
| **Net Deferred Tax (A-B)** | **(79,30,286)** | **(8,55,06,829)** | **15,19,978** | **(9,19,17,138)** |

*** Net off Depreciation on leased asset**

**For the Financial Year 2021-22:**

(Amount in Rs.)

| Particulars | Opening Balance | Recognized in Statement of Profit and Loss | Recognized in Other Comprehensive Income | Closing Balance |
|---|---|---|---|---|
| **Deferred tax asset on account of:** | | | | |
| Difference of Depreciation as per Books and Income Tax | 82,80,643 | (1,92,61,709) | - | (1,09,81,066) |
| Expenses claimed for tax purpose on payment basis | 24,82,858 | - | 12,353 | 24,95,211 |
| Amortisation of lease rent | - | - | - | - |
| MAT Credit entitlement | - | | | - |
| **Total Deferred Tax Assets (A)** | 1,07,63,501 | (1,92,61,709) | 12,353 | (84,85,855) |
| **Deferred tax liability on account of:** | | | | - |
| Expenses claim for Tax on Payment Basis | (5,55,569) | | - | **(5,55,569)** |
| Impact of discounting of Warranty Provisions | | | | - |
| Impact of recognition of assets under Ind AS | | | | - |
| Financial assets carried at fair value through profit or loss | | | - | - |
| **Total Deferred Tax Liabilities (B)** | (5,55,569) | - | - | (5,55,569) |
| **Net Deferred Tax (A-B)** | **1,13,19,070** | **(1,92,61,709)** | **12,353** | **(79,30,286)** |

## 30 Borrowings

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Secured** | | |
| Current maturities of long term debt | 6,76,25,538 | 4,66,47,497 |
| Interest accrued on borrowings and not due | - | 18,99,781 |
| Loans repayable on demand from banks & Others | 42,76,12,696 | 18,46,73,442 |
| **Total** | **49,52,38,234** | **23,32,20,720** |

(i) These loans are secured by a first charge on inventories, receivables and all other current assets of the Company, Hypothication of plant and Machinery, Immovable Properties, Personal Guarentee of Directors and pledge of Equity Shares of two WTD.

## 31 Lease Liabilities

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Lease Liability | 21,39,60,886 | 6,94,43,618 |
| **Total** | **21,39,60,886** | **6,94,43,618** |

## 32 Trade Payables

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Trade Payables | 82,08,90,412 | 70,77,38,913 |
| **Total** | **82,08,90,412** | **70,77,38,913** |

(i) Above balance are subject to reconciliation / confirmtion.

(ii) Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 45-

(iii) Includes balance of Payables outstanding for more than 3 years of Rs.3,21,158/-)

(iv) The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have not been identified on the basis of information available with the Company.

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(Amount in Rs.)

| Trade payables -Total outstanding dues of Micro & Small enterprises* | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| (a) Amount remaining unpaid but not due as at year end | 44,61,732 | 2,19,52,798 |
| Amount remaining unpaid / overdue as at year end | 4,95,78,072 | 2,99,65,882 |
| Total | **5,40,39,804** | **5,19,18,680** |
| (b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006. along with the amount of the payment made to the supplier beyond the appointed day during the year | | |
| (c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | | |
| (d) Interest accrued and remaining unpaid as at year end | | |
| (e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise | | |

(i) No interest is provided or paid towards overdues.

*MSME vendor classification is based on the confirmation received from Vendors.

**Trade Payables Ageing Schedules**

**FY 2022-23**

(Amount in Rs.)

| Particulars | Unbilled Payables | Not due | 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)MSME | | 44,61,732 | 4,95,78,072 | - | - | - | - | 5,40,39,804 |
| (ii)Others | | 46,27,65,373 | 11,51,05,103 | 14,10,04,744 | 4,68,42,216 | 3,12,015 | 8,21,158 | 76,68,50,609 |
| (iii) Disputed dues – MSME | | - | - | - | - | - | - | - |
| (iii) Disputed dues – Others | | - | - | - | - | - | - | |
| **TOTAL** | | 46,72,27,105 | 16,46,83,175 | 14,10,04,744 | 4,68,42,216 | 3,12,015 | 8,21,158 | 82,08,90,412 |

**FY 2021-22**

(Amount in Rs.)

| Particulars | Unbilled Payables | Not due | 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)MSME | | 2,19,52,798 | 2,99,65,882 | - | - | - | - | 5,19,18,680 |
| (ii)Others | | 52,18,80,215 | 11,04,75,456 | 2,00,03,009 | 8,19,232 | 7,47,098 | 18,95,223 | 65,58,20,233 |
| (iii) Disputed dues – MSME | | - | - | - | - | - | - | - |
| (iii) Disputed dues – Others | | - | - | - | - | - | - | - |
| **TOTAL** | | 54,38,33,013 | 14,04,41,338 | 2,00,03,009 | 8,19,232 | 7,47,098 | 18,95,223 | 70,77,38,913 |

## 33 Other Financial Liabilities

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Unclaimed Dividends | - | - |
| Security Deposits | 66,000 | - |
| Expenses payable | 2,02,85,408 | 50,73,364 |
| Payable to Employees | - | - |
| Total | **2,03,51,408** | **50,73,364** |

## 34 Current Tax Liabilities (net)

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Provision for Tax (Net) | - | 3,75,62,425 |
| Total | **-** | **3,75,62,425** |

## 35 Other Current liabilities

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Liability for statutory payments | 2,27,67,129 | 1,40,74,638 |
| Other Payables | 33,550 | 60,62,840 |
| Payable to Employees | 8,98,85,789 | 6,23,24,254 |
| Unsecured Loan | - | - |
| Payable for Capital Goods | - | - |
| Advance Received from Customers # | 1,19,90,04,105 | 5,88,37,710 |
| Total | **1,31,16,90,573** | **14,12,99,442** |

# Advance from Customer includes Rs.118,83,19,526/- received under ESCROW Arrangement with customer

## 36 Provisions

(Amount in Rs.)

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Provision for employee benefits (For details refer note no: 50) | | |
| Gratuity | - | - |
| Leave Encashment | - | - |
| ESIC | 3,35,680 | 1,86,863 |
| PF | 1,09,62,437 | 68,59,123 |
| Professional Tax | 30,79,767 | 30,49,628 |
| Provision for Tax | - | - |
| Provision for Expenses | 7,52,50,437 | 1,77,18,443 |
| Provision for Bad & Doubtful Debtors | - | - |
| Provision for warranties (Refer note no. 28 for details) | - | 4,15,892 |
| Total | **8,96,28,321** | **2,82,29,949** |

(i) Presently Company is continuing with the current tax rate regime.

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37 Revenue from Operations

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Sale of Products / Services | - | - |
| Sale of Products / Services | 3,69,87,50,385 | 1,81,44,86,754 |
| Other Operating Revenue | - | 1,33,31,752 |
| Sale of scrap | - | - |
| Sales-Deemed Export | - | 10,54,55,893 |
| Sales -Export | 32,95,72,682 | 15,79,88,659 |
| **Total** | **4,02,83,23,067** | **2,09,12,63,058** |

38 Other Income

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Interest income on financial assets carried at amortised cost | - | - |
| Deposit with bank and others | 24,55,484 | 28,12,816 |
| **Dividend Income** | - | - |
| Dividend received on investments carried at fair value through Profit or Loss | - | - |
| Cash Discount | - | - |
| Net Profit on sale of Current Investments | - | - |
| Net gain on investments carried at fair value through Profit or Loss | - | - |
| **Other non-operating income:** | - | - |
| Leave Other Comprehensive Income | 72,17,339 | - |
| Miscellaneous Income | 4,03,67,605 | 1,38,45,657 |
| **Total** | **5,00,40,428** | **1,66,58,473** |

39 Cost of materials consumed

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Opening Stock of RM | 34,45,11,532 | 7,01,39,166 |
| Add : Purchase of RM | 2,53,42,79,173 | 1,08,50,99,794 |
| Closing Stock of RM | 62,10,28,142 | 34,45,11,532 |
| **Total** | **2,25,77,62,562** | **81,07,27,429** |

40 Changes in inventories of finished goods, Stock-in -Trade and work-in-progress

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| **Opening stock:** | | |
| Finished goods | 17,75,82,160 | 9,58,61,997 |
| Work-in-progress | 18,31,80,848 | 10,46,22,884 |
| **Total (A)** | **36,07,63,008** | **20,04,84,881** |
| **Closing stock:** | | |
| Finished goods | 79,21,27,417 | 17,75,82,160 |
| Work-in-progress | 23,25,56,855 | 18,31,80,848 |
| **Total (B)** | **1,02,46,84,272** | **36,07,63,008** |
| **Total(A-B)** | **(66,39,21,264)** | **(16,02,78,127)** |

# Includes service stock Rs.954.20 Lakhs ( PY Rs.557.50 Lakhs)

41 Employee Benefits Expense

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Salaries and wages | 92,52,93,610 | 46,49,20,347 |
| Contribution to provident and other funds | 6,05,23,871 | 3,01,22,778 |
| Staff welfare expenses | 1,12,60,087 | 98,92,145 |
| **Total** | **99,70,77,569** | **50,49,35,269** |

42 Finance Costs

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| **Interest on:** | - | - |
| Borrowings from banks | 4,16,25,726 | 4,02,94,270 |
| Others interest | 25,33,412 | 1,08,277 |
| Other costs | 4,83,34,508 | 96,01,344 |
| Interest for Finance Lease (Refer Note No 55) | 16,45,22,247 | 4,88,84,208 |
| Unwinding of discount on provisions | 20,82,577 | 19,76,371 |
| **Total** | **25,90,98,470** | **10,08,64,470** |

43 Depreciation and amortization expense

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Depreciation on property, plant and equipment | 35,98,41,726 | 18,11,12,664 |
| Amortisation of intangible assets | 46,74,466 | 35,96,846 |
| **Total** | **36,45,16,192** | **18,47,09,510** |

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44 Other Expenses

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| **Consumption of Stores & Spares, Tools** | | |
| Power and fuel | 27,19,76,102 | 14,03,70,079 |
| Freight Charges | 4,36,22,752 | 2,49,82,642 |
| **Repairs and Maintenance :** | | |
| Repairs to Buildings | 7,48,226 | 25,45,893 |
| Repairs to Machinery | 26,12,348 | 20,60,058 |
| Repairs and Maintenance - Others | 94,12,167 | 51,08,812 |
| Rent | 1,47,76,856 | 33,21,350 |
| Wages to Contractors | 32,77,35,090 | 17,79,23,245 |
| Professional Charges | 1,63,54,309 | 98,94,800 |
| Insurance Premium | 1,27,11,621 | 66,44,889 |
| Payment to Auditors | 7,65,000 | 10,10,000 |
| Canteen Expenses | 7,88,53,321 | 5,00,20,418 |
| Rates and Taxes excluding taxes on income | 2,80,74,177 | 69,24,156 |
| Vehicle Hiring & Maintenance Expense | 7,98,00,955 | 4,41,00,458 |
| Warranty Expenses | 36,18,496 | 44,39,172 |
| Bad Debts | - | - |
| Crane Hiring Charges | 3,45,09,628 | 88,00,883 |
| Scrap Removal Expense | 1,98,96,870 | 1,15,01,097 |
| Tour & Travelling Expenses | 2,54,09,877 | 1,20,90,063 |
| Security Services | 1,52,58,791 | 74,29,932 |
| Fabrication Expenses | 1,70,13,986 | 1,10,52,432 |
| Unwinding Rent Expenses | 21,70,324 | 33,48,403 |
| Factory Exps. | 46,02,075 | 16,00,697 |
| Site Exps. | 1,18,51,315 | 31,20,055 |
| Capital Gain / Loss on Sales of Fixed Assets | - | - |
| Job Work | 1,81,00,091 | 56,29,938 |
| Testing Charges - Material | 1,68,96,450 | 51,78,246 |
| Conveyance Exps. | 24,47,300 | 24,97,823 |
| Foreign Fund Flactuation (Loss) | 48,78,550 | 25,39,226 |
| Internet Expenses | 4,69,379 | 3,17,718 |
| Office Expenses | 20,79,882 | 12,89,554 |
| Corporate Social Responsibility Expenses | 4,24,224 | 3,79,584 |
| Testing Charges | 98,12,602 | 8,84,965 |
| Pooja Expenses | 3,60,460 | 18,02,559 |
| Factory Maintenence/expenses | 40,54,174 | 11,33,495 |
| House Keeping Material | 13,29,955 | 7,74,586 |
| Lease Line Charges | 6,67,979 | 6,91,753 |
| Printing and Stationery | 30,82,019 | 17,45,933 |
| Registration & Licence Fees | 62,15,337 | 12,52,354 |
| Miscellaneous Expenses* | 85,66,027 | 52,27,210 |
| Total | **1,10,11,58,715** | **56,96,34,477** |

* None of the item individually accounts for more than Rs.10,00,000 or 1% of revenue whichever is higher.

**(i) Payment to auditors has been classified below:**

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| For Audit fees | 7,50,000 | 6,25,000 |
| For Tax Audit | 1,50,000 | 1,00,000 |
| For Other Services | 3,90,000 | 3,65,000 |
| For out of pocket expenses | - | - |
| **Total** | **12,90,000** | **10,90,000** |

45 **Exceptional Item**

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Exceptional Item* | (48,35,174) | 67,64,649 |
| **TOTAL** | **(48,35,174)** | **67,64,649** |

*Exceptional items are those which are considered for separate disclosure in the financial statements considering their size, nature or incidence. Such items included with in Profit and loss are as under:

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Bonus Reversal | (22,39,339) | - |
| PT Reversal | (44,53,235) | - |
| Interest & Penalty on GST/TDS/TCS,Etc | 18,57,400 | - |
| Bad Debts | - | 67,64,649 |

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46 **Tax Expense**

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| **Current tax in relation to:** | | |
| Current years | - | 3,75,62,425 |
| Earlier years | 61,44,163 | (1,04,700) |
| **Deferred Tax** | | |
| In respect of current year | (8,55,06,829) | (1,92,61,709) |
| Unused Tax Credits | | |
| **Total income tax expense recognised in the current year** | **(7,93,62,666)** | **1,81,96,016** |

(i) Company is continuing with the current tax rate regime.

(i) The income tax expense for the year can be reconciled to the accounting profit as follows:

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Profit before Tax & OCI | (23,73,28,750) | 9,73,28,503 |
| Income tax expense calculated at 27.82% / 33.384% | (7,92,29,830) | 2,70,76,789 |
| Tax effects of amounts which are not deductible/(taxable) in calculating taxable income | 1,78,62,466 | - |
| Expenses not allowed in Income Tax | 16,73,45,922 | 7,19,82,211 |
| Reversal of Provision of diminution of investments | | |
| Allowable Expenses / Non Taxable Income | (10,75,92,732) | (5,96,14,650) |
| Deduction of Section 80IC | | |
| Exceptional Items | 16,14,174 | (18,81,925) |
| Tax adjustment of earlier years | 61,44,163 | (1,04,700) |
| Deffered Tax | (8,55,06,829) | (1,92,61,709) |
| Re-measurement of defined benefit obligation | - | |
| **Tax Expenses** | **(7,93,62,666)** | **1,81,96,016** |

47 **Earnings per share**

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| Profit after tax for the year attributable to equity shareholders | (15,00,97,875) | 7,23,99,887 |
| No. of Equity Shares | 42,15,494 | 42,15,494 |
| Weighted average number of equity shares | - | - |
| Basic earnings per equity share | (35.61) | 17.17 |
| Diluted earnings per equity share-After Exceptional Items | (35.61) | 17.17 |
| Diluted earnings per equity share -Before Exceptional Items | (56.30) | 23.09 |
| Face Value per equity share | 10.00 | 10.00 |

48 **Contingent Liabilities and Commitments (to the extent not provided for)**

(Amount in Rs.)

| Particulars | For the period ended 31st Mar, 2023 | For the period ended 31st Mar, 2022 |
|---|---|---|
| **(A) Contingent liabilities not provided for in respect of:** | | |
| Claims against the company not acknowledged as debt under the custom law | - | 21,39,51,850 |
| Custom obligation against rectification material laying at customer location on re-Import, | - | 85,12,000 |
| Bank Gurrantee - Issued | 24,58,38,579 | 11,87,78,224 |
| Guarantee issued to Customer | 12,50,00,000 | - |
| Income Tax | 1,52,25,432 | 2,40,64,884 |
| The above contingent liabilities are against the proceedings pending with Income Tax Department for TDS Penalties and Assessments. | | |
| Likely GST obligations towards mobilisation / ESCROW Arrangement with customer. | | |
| **(B) Commitments:** | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) for up coming Plant as refered in Note no.6(6) | - | 1,50,00,000 |

The above commitments are for capital contracts to be executed for the upcoming plant Expantions

49 **Leases**

The Company has obtained land and certain premises for its business operations (including furniture and fittings, therein as applicable) under operating lease or leave and license agreements. These are generally not non-cancellable and periods range between 12 months and 12 years under leave and licence and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms. These refundable security deposits have been valued at amortised cost under relevant Ind AS.

-Short term lease and small value lease payments are recognised in the Statement of Profit and Loss under "Rent" in Note 43.

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**50 Employee Benefits**

**(a) Defined Contribution Plans:**

Contributions to defined contribution plan are recognised as expenses when contributions become due.

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

**(i) Provident fund and Pension:**

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary.

The contributions, as specified under the law, are made to the provident fund set up as an irrevocable trust by the Company, post contribution of amount specified under the law to Employee Provident Fund Organisation on account of employee pension scheme.

**(ii) Superannuation fund:**

The Company has a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn.

Separate irrevocable trusts are maintained for employees covered and entitled to benefits. The Company contributes up to 10% of the eligible employees' salary to the trust every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligation beyond this contribution.

The total expenses recognised in the Statement of Profit and Loss during the period are as under: **(Amount in Rs.)**

| Particulars | 31.03.2023 | 31.03.2022 |
|---|---|---|
| Employer's contribution to Provident and other Funds | 6,05,23,871 | 3,01,22,778 |
| Employer's contribution to Superannuation Fund | - | - |
| Total | 6,05,23,871 | 3,01,22,778 |

**(b) Defined Benefit Plan:**

**(i) Gratuity:**

Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31st March, 2019 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.The company has not created any fund against the Gratuity and Leave Encashment Liability pending on 31st March, 2023.

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The liability for gratuity as at the year- end is provided on the basis of actuarial valuation.

This plan typically expose the Company to actuarial risks such as: Non Funding risk, longevity risk and salary risk.

**(I) Non Funding Risk:**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. Since the same has not been funded the company carries the risk relating to fluctuation in market Interest rates and return the company enjoys on unfunded portion.

**(III) Longevity Risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**(IV) Salary Risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**GRATUITY**

| **Present Value of Benefit Obligations** | **2022-23** | **2021-22** |
|---|---|---|
| **- changes over the valuation period** | | |
| Present Value of Benefit Obligation on 1-4-2022 | 1,99,28,855 | 1,23,98,450 |
| Past Service cost | - | - |
| Current Service cost | 1,58,57,722 | 83,91,251 |
| Interest cost | 14,74,735 | 8,43,095 |
| **Benefits paid** | | |
| Actuarial losses (gains) arising from change in financial assumptions | (30,45,845) | (7,34,809) |
| Actuarial losses (gains) arising from change in demographic assumption | - | |
| Actuarial losses (gains) arising from experience adjustments | (15,07,168) | (9,69,132) |
| Present Value of Benefit Obligation on 31-3-2023 | 3,27,08,299 | 1,99,28,855 |
| **Bifurcation of Present Value of Benefit Obligation** | | |
| Current - Amount due within one year | 6,03,886 | 3,67,942 |
| Non-Current - Amount due after one year | 3,21,04,413 | 1,95,60,913 |
| Total | 3,27,08,299 | 1,99,28,855 |
| **Expected Benefit Payments in Future Years** | | |
| Year 1 | 6,03,886 | 3,67,942 |
| Year 2 | 12,29,527 | 8,53,557 |
| Year 3 | 23,11,491 | 10,47,112 |
| Year 4 | 27,42,120 | 28,25,196 |
| Year 5 | 10,65,065 | 33,10,482 |
| Year 6 to Year 10 | 40,16,531 | 29,13,161 |
| **Sensitivity Analysis** | | |
| **- Effects of Key Assumptions on Defined Benefit Obligations** | | |
| Discount Rate - 1 percent increase | 2,84,49,934 | 1,77,71,702 |
| Discount Rate - 1 percent decrease | 3,80,28,674 | 2,25,64,135 |
| Salary Escalation Rate - 1 percent increase | 3,79,95,623 | 2,25,86,170 |
| Salary Escalation Rate - 1 percent decrease | 2,83,99,617 | 1,77,19,191 |
| Withdrawal Rate - 1 percent increase | 3,29,13,024 | 2,01,74,586 |
| Withdrawal Rate - 1 percent decrease | 3,24,65,338 | 1,96,62,290 |

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LEAVE

**Present Value of Benefit Obligations**

| - changes over the valuation period | 2022-23 | 2021-22 |
|---|---|---|
| Present Value of Benefit Obligation on 1-4-2022 | 1,31,57,594 | 52,38,422 |
| Current Service cost | 59,96,893 | 59,03,420 |
| Past Service cost | 0 | 0 |
| Interest cost | 9,73,662 | 3,56,213 |
| Benefits paid | - | - |
| Actuarial losses (gains) arising from change in financial assumptions | | |
| Actuarial losses (gains) arising from change in demographic assumptions | (12,14,280) | (3,80,570) |
| Actuarial losses (gains) arising from experience adjustments | (60,03,058) | 20,40,109 |
| Present Value of Benefit Obligation on 31-3-2023 | 1,29,10,811 | 1,31,57,594 |
| **Bifurcation of Present Value of Benefit Obligation** | | |
| Current - Amount due within one year | 4,49,496 | 3,51,010 |
| Non-Current - Amount due after one year | 1,24,61,315 | 1,28,06,584 |
| Total | 1,29,10,811 | 1,31,57,594 |
| **Expected Benefit Payments in Future Years** | | |
| Year 1 | 4,49,496 | 3,51,010 |
| Year 2 | 4,82,745 | 5,32,971 |
| Year 3 | 8,30,778 | 5,52,696 |
| Year 4 | 10,14,821 | 36,91,368 |
| Year 5 | 4,61,511 | 38,15,636 |
| Year 6 to Year 10 | 8,39,616 | 6,81,453 |
| **Sensitivity Analysis** | | |
| **- Effects of Key Assumptions on Defined Benefit Obligations** | | |
| Discount Rate - 1 percent increase | 1,12,17,086 | 1,20,25,596 |
| Discount Rate - 1 percent decrease | 1,50,33,326 | 1,45,12,716 |
| Salary Escalation Rate - 1 percent increase | 1,50,20,120 | 1,45,23,941 |
| Salary Escalation Rate - 1 percent decrease | 1,11,97,101 | 1,19,97,728 |
| Withdrawal Rate - 1 percent increase | 1,29,93,507 | 1,32,69,607 |
| Withdrawal Rate - 1 percent decrease | 1,28,12,352 | 1,30,35,809 |

**51 Segment Reporting**

The Company's operations falls under single segment namely "Manufacturing of Composite Moulds and products, jigs and fixture". The Board of Directors of the Company evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirement of IND AS 108 "Operating Segments".

**(Amount in Rs.)**

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **Revenue From:** | | |
| Outside India | 32,95,72,682 | 15,79,88,659 |
| In India | 3,69,87,50,385 | 1,93,32,74,399 |

Revenue from major customer ( > 10%) For the Current F Y Rs.391.00 Cr (7 Customer) and P Y Rs.193.65 Cr (5 Customer)

**52 Related Party Disclousers**

Name of related parties and description of their relationships are as under:

**(A) Holding Company:**

| | | |
|---|---|---|
| Munjal Auto Industries Ltd | | Since 22.05.2018 |
| **(B) Key Managerial Personnel and their relatives:** | | |
| Mr.Binayak Rath | Director | Since 22.02.2010 |
| Mr.P L Sathinarayan | Director | Since 22.02.2010 |
| Mr.Sudhir Kumar Munjal | Director | Since 22.05.2018 |
| Mr.Anuj Munjal | Director | Since 22.05.2018 |
| Mrs. Anju Sudhir Munjal | Director | Since 09.08.2019 |
| Mr.Debdut Mishra | Chief Executie Officer | Since 12.05.2017 |
| Mr.Naresh Chavla | Independent Director | Since 14.09.2022 |
| Mrs.Avi Sabawala | Independent Director | Since 14.09.2022 |

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**(C) Enterprise in which directors and their relatives are directors:**

**The following transactions were carried out with the related parties in ordinary course of business during the year:** **(Amount in Rs.)**

| Nature of Transaction | Holding Company | Enterprise in which directors and their relatives are directors | Key Managerial personnel | Total |
|---|---|---|---|---|
| **Remuneration paid** | - | - | **1,99,69,325** | **1,99,69,325** |
| | - | - | (1,79,69,324) | (1,79,69,324) |
| Mr.Binayak Rath | - | - | **75,00,000** | **75,00,000** |
| | - | - | (65,00,002) | (65,00,002) |
| Mr. P L Sathinarayan | - | - | **75,00,000** | **75,00,000** |
| | - | - | (65,00,002) | (65,00,002) |
| Mr. Debdut Mishra | - | - | **49,69,325** | **49,69,325** |
| | - | - | (49,69,320) | (49,69,320) |
| **Munjal Auto Industries Ltd** | **10,57,02,404** | - | - | **10,57,02,404** |
| | **(5,35,60,004)** | - | - | (5,35,60,004) |
| Goods and services | 5,57,02,404 | - | - | **5,57,02,404** |
| | **(5,35,60,004)** | - | - | (5,35,60,004) |
| Loan Received | 5,00,00,000 | - | - | **5,00,00,000** |
| | - | - | - | - |
| Loan Repaid | (5,00,00,000) | - | - | **(5,00,00,000)** |
| | - | - | - | - |
| Interest Paid | 25,73,411 | - | - | **25,73,411** |
| | - | - | - | - |

*Amounts in brackets indicate previous year figures*

Related party: The Company has paid interest to the Holding company, for its various demand loans, in consonance with the relevant provisions of The Companies Act 2013, which specifies the minimum rate of interest aligned to Government securities of matching profile. The said demand loans were received pending final call on Rights share issue, which was subscribed by the Holding Company, since the future business plan was under further deliberation and till such plans were re- discussed and approved, the amount were received from Directors and Holding company.

The company has entered into a long term Lease arrangement with Holding company for a period of 10 years, with Rentals due to start in next financial year.

**(Amount in Rs.)**

| **Balance as at:** | | |
|---|---|---|
| **Particulars** | **As at 31st March, 2023** | **As at 31st March, 2022** |
| **Remuneration payable:** | 21,93,360 | 21,22,701 |
| Mr.Binayak Rath | 8,46,694 | 8,71,414 |
| Mr.P L Sathinarayan | 13,46,666 | 12,51,287 |

53 Balances of trade and other receivables, trade and other payables and loans are subject to the confirmation/reconciliation. Adjustments if any, will be accounted for on confirmation/reconciliation of the same, which will not have material impact.

54 **Financial Instrument Disclosure:**

**(a) Capital Management:**

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and

expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes interest bearing borrowings less cash and cash equivalents, other bank balances (including earmarked balances) and current investments.

The table below summarises the capital, net debt and net debt to equity ratio of the Company. **(Amount in Rs.)**

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Equity share capital | 4,21,54,940 | 4,21,54,940 |
| Other Equity | 24,30,13,264 | 39,31,11,139 |
| **Total Equity (A)** | **28,51,68,204** | **43,52,66,079** |
| Non-current borrowings | 17,33,38,680 | 21,98,60,824 |
| Short term borrowings | 42,76,12,696 | 18,65,73,223 |
| Current maturities of long term borrowings | 6,76,25,538 | 4,66,47,497 |
| **Gross Debt (B)** | **66,85,76,914** | **45,30,81,544** |
| **Total Capital (A+B)** | **95,37,45,118** | **88,83,47,623** |
| Gross Debt as above | 66,85,76,914 | 45,30,81,544 |
| Less: Current investments | - | 2,67,308 |
| Less: Cash and cash equivalents | 10,33,227 | 16,64,654 |
| Less: Other balances with bank (including earmarked balances) | 4,07,87,548 | 3,56,70,000 |
| **Net Debt (C)** | **62,67,56,140** | **41,54,79,582** |
| **Net debt to equity** | **1.74** | **1.04** |

Net debt to equity as at 31st March, 2023 and 31st March, 2022 has been computed based on average equity

**(b) Disclosures:**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4(xii), (xiii) and (xiv).

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**(i) Financial assets and liabilities:**

The following tables presents each category of financial assets and liabilities as at 31st March, 2023 and 31st March, 2022.

**(Amount in Rs.)**

| Particulars | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| **I. Financial Assets:** | | |
| **Measured at fair value through profit or loss (FVTPL)** | | |
| (a) Investments in mutual funds: | - | 2,67,308 |
| **Measured at amortised cost** | | |
| Trade and other receivables | 91,39,62,175 | 58,22,10,517 |
| Cash and cash equivalents | 10,33,227 | 16,64,654 |
| Other bank balances | 4,07,87,548 | 3,56,70,000 |
| Loans | 16,49,62,269 | 17,31,18,711 |
| Other financial assets | 1,14,69,633 | 25,09,740 |
| **Total** | **1,13,22,14,852** | **79,54,40,930** |
| **II. Financial Liabilities:** | | |
| **Measured at amortised cost** | | |
| Long term borrowings | 17,33,38,680 | 21,98,60,824 |
| Short term borrowings | 42,76,12,696 | 18,65,73,223 |
| Trade payables | 82,08,90,412 | 70,77,38,913 |
| Other financial liabilities | 30,16,01,408 | 18,26,53,364 |
| **Total** | **1,72,34,43,197** | **1,29,68,26,324** |

**(ii) Fair value measurement:**

This note provides information about how the Company determines fair values of various financial assets and liabilities.

Fair value measurements under Ind AS are categorised as below based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety:

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the company can access at measurement date;

• Level 2 inputs are inputs, other than quoted prices included in level 1, that are observable for the asset or liability, either directly or indirectly; and

• Level 3 inputs are unobservable inputs for the valuation of assets/liabilities.

**Fair value of the Company's financial assets that are measured at fair value on a recurring basis:**

Following table gives information about how the fair values of the Company's financial assets are determined: **(Amount in Rs.)**

| Financial assets | Fair value as at | | Fair value hierarchy |
|---|---|---|---|
| | 31st March, 2023 | 31st March, 2022 | |
| Investment in mutual funds | - | 2,67,308 | Level 1 |

Valuation technique and key input: NAV declared by respective Asset Management Companies.

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

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except fair value of investments in mutual funds approximate their fair values.

There have been no transfers between Level 1 and Level 2 for the years ended 31st March, 2022 and 31st March, 2021

**(iii) Financial risk management objectives:**

While ensuring liquidity is sufficient to meet Company's operational requirements, also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

**Market risk:**

Market risk is the risk that changes in market prices- such as foreign exchange rates, interest rates and equity prices- will affect the Company's income or the value of its holdings of financial instrument. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

**Currency Risk:**

The Company's exposure to currency risk relates primarily to the Company's operating activities including anticipated sales & purchase and borrowings where the transactions are denominated in a currency other than the Company's functional currency.

The Company has not entered into any forward foreign exchange contracts during the reporting period.

**Credit risk management:**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/ bonds, trade receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

**Interest rate risk management:**

The Company's main interest rate risk arises from the long term borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortised cost.

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Liquidity risk management:

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount in Rs.)

| Particulars | 1 month -1 year | 1 year – 3 years | More than 3 years |
|---|---|---|---|
| As at 31st March, 2023 | | | |
| Long term borrowings | - | 16,08,55,585 | 1,24,83,095 |
| Short term borrowings | 49,52,38,234 | | |
| Trade payables | 77,29,15,023 | 4,71,54,231 | 8,21,158 |
| Other financial liabilities | 30,16,01,408 | | |
| Total | 1,56,97,54,666 | 20,80,09,816 | 1,33,04,253 |
| As at 31st March, 2022 | | | |
| Long term borrowings | - | 16,19,65,000 | 5,78,95,824 |
| Short term borrowings | 23,32,20,720 | | |
| Trade payables | 70,42,77,360 | 15,66,329 | 18,95,223 |
| Other financial liabilities | 18,26,53,364 | | |
| Total | 1,12,01,51,444 | 16,35,31,329 | 5,97,91,047 |

The following table details the Company's expected maturity for its non-derivative financial assets. The information included in the table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Amount in Rs.)

| Particulars | 1 month -1 year | 1 year – 3 years | More than 3 years |
|---|---|---|---|
| As at 31st March, 2023 | | | |
| Trade and other receivables | 89,25,44,674 | 2,14,17,501 | - |
| Investments in Mutual funds | - | - | - |
| Loans | 1,40,17,388 | - | - |
| Other financial assets | 16,24,14,514 | - | - |
| Total | 1,06,89,76,576 | 2,14,17,501 | - |
| As at 31st March, 2022 | | | |
| Trade and other receivables | 57,25,73,438 | 96,37,079 | - |
| Investments in Mutual funds | 2,67,308 | - | - |
| Loans | 3,07,42,456 | - | - |
| Other financial assets | 14,48,85,995 | - | - |
| Total | 74,84,69,196 | 96,37,079 | - |

The Company has access to committed credit facilities as described below, apart from comfort of availability of funds from Promoters and Holding company . The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Amount in Rs.)

| Unsecured bank overdraft facility, reviewed annually and payable at call | As at 31st March, 2023 | As at 31st March, 2022 |
|---|---|---|
| Amount used | 42,76,12,696 | 18,46,73,442 |
| Amount unused | 7,23,87,304 | 6,53,26,559 |

**Financial Ratios**

| Ratio | Numerator | Denominator | As at March 31, 2023 | As at March 31, 2022 | % Variance | Reason for variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liability | 0.98 | 1.24 | -20.82% | Due to Enhancement of Working Capital |
| Debt-Equity ratio | Total debt | Net Worth | 1.74 | 1.04 | 66.87% | Due to Increase in Long Term Loan |
| Debt Service Coverage Ratio | Earning before interest and tax | Finance cost + Principal Repayments made during the period for long term | -1.42 | 0.76 | -288.40% | Profitibility could not achived due to product clearance, expected to improved in Q1 of 23-24 |
| Return on Equity ratio % | Net profit after tax | Average Shareholder Equity | -41.67% | 18.17% | -329.33% | Due to Negative PAT |
| Inventory turnover ratio | Cost of goods sold | Average Inventory | 2.48 | 2.99 | -17.08% | Long-lead Projects executed during F Y 2022-23 |
| Trade Receivables turnover ratio | Net Credit Sales | Average Trade Receivables | 5.38 | 5.76 | -6.48% | Improved Debtors Collection |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | 1.17 | 0.94 | 24.78% | Increase in amount of purchases |
| Net capital turnover ratio | Net Sales | Average Working Capital | (85.65) | 7.04 | -1316.25% | Due to Loss |
| Net profit ratio Margin % | Net profit after tax | Revenue from operation | -3.73% | 3.46% | -207.63% | Start up of 2 new additional unit during this F Y |
| Return on capital employed % | Earning before interest and tax | Capital Employed (Capital Employed = Total Assets-Current Liabilities) | -19.29% | -0.29% | 6653.68% | Due to Investment in new Projects |
| Return on investment % | Net profit after tax | Capital Invested (Capital Invested = Debt+Equity) | -15.74% | 8.15% | -293.10% | Investment performance improved |

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55 Leases as lessee

The Company has elected below practical expedients on transition to Ind AS 116: (i) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.(ii) Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of leaseterm on the date of initial application. (iii) Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.(iv) Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, forcontracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17Leases.A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets fora period of time in exchange for consideration. (v) The Company has adopted Ind AS 116, effective annual reporting period beginning 1st April, 2019 and appliedthe standards to its leases, prospectively, applying the standards on initial application without making anyadjustment to opening balance of retained earnings.(vi) The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets thathave a lease term of twelve months or less and leases for which the underlying asset is of low value. The leasepayments associated with these leases are recognised as an expense on a straight line basis over the lease term. (vii) The weighted average incremental borrowing rate applied to lease liabilities as at 1st April, 2022 is 8.50% PA.

**(i) The Movement in Lease liabilities during the year** **( Amount in Rs.)**

| **Particulars** | **31st March 2023** | **31st March 2022** |
|---|---|---|
| **Opening Balance** | 42,12,41,511 | 51,22,82,651 |
| Additions during FY 2022-23 | 1,74,86,21,885 | 1,40,77,135 |
| Finance costs incurred during the year | 16,45,22,247 | 4,88,84,208 |
| Payments of Lease Liabilities | (35,86,86,562) | (15,40,02,484) |
| **Balance as at 31st March, 2023** | **1,97,56,99,081** | **42,12,41,511** |

**(ii) The carrying value of the Rights-of-use and depreciation charged during the year**

For details pertaining to the carrying value of right of use and new future contracts of lease assets and depreciation charged thereon during the

**(iii) Amount Recognised in Statement of Profit & Loss Account during the Year** **( Amount in Rs.)**

| Particulars | for the year ended | |
|---|---|---|
| | **31st March 2023** | **31st March 2022** |
| (i) Expenses related to Short Term Lease & Low Asset Value Lease | | |
| (ii) Lease Expenses | 1,47,76,856 | 33,21,350 |
| **Total Expenses** | **1,47,76,856** | **33,21,350** |

**(iv) Amounts recognised in statement of cash flows** **( Amount in Rs.)**

| Particulars | **31st March 2023** | **31st March 2022** |
|---|---|---|
| Total Cash outflow for Leases | (35,86,86,562) | (15,40,02,484) |

**(v) Maturity analysis of lease liabilities** **( Amount in Rs.)**

| **Particulars** | **31st March 2023** | **31st March 2022** |
|---|---|---|
| **Maturity Analysis of contractual undiscounted cash flows** | | |
| Less than One year | 21,69,86,468 | 6,94,43,618 |
| one to three years | 66,78,07,661 | 29,08,58,223 |
| more than three years | 1,09,09,04,952 | 6,09,39,669 |
| **Total undiscounted Lease Liability** | **1,97,56,99,081** | **42,12,41,510** |
| **Balances of Lease Liabilities** | | |
| Non Current Lease Liability | 1,75,87,12,613 | 35,17,97,892 |
| Current Lease Liability | 21,69,86,468 | 6,94,43,618 |
| **Total Lease Liability** | **1,97,56,99,081** | **42,12,41,510** |

56 **Corporate Social Responsibility :**

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company as this is being the first year of applicability of the provisions of the corporate Social Responsibility, These committee is carry out the CSR activities as

**( Amount in Rs.)**

| **Particulars** | **Amount Contributed** | **Amount yet to be Contributed** | **Total** |
|---|---|---|---|
| **Year 2022-23** | | | |
| a) Construction / Acquisition of any assets - - - | - | - | - |
| b) For purpose other than (a) above | 4,24,224.00 | - | 4,24,224.00 |
| **Year 2021-22** | | | |
| a) Construction / Acquisition of any assets - - - | - | - | - |
| b) For purpose other than (a) above | 3,79,584.00 | - | 3,79,584.00 |
| Total | 8,03,808.00 | - | 8,03,808.00 |

57 **The Financial Statement have been approved by Board of Directors on 22nd May 2023,**

For VCA & Associates
Chartered Accountants
FRN:114414W

CA. Ashok R Thakkar
Partner
Membership No. 048169

Place : Vadodara
22nd May,2023

VCA & ASSOCIATES VADODARA CHARTERED ACCOUNTANTS

For and on behalf of the Board

Binayak Rath
Director
DIN: 02784819

P L Sathinarayanan
Director
DIN: 02852765

Place : Vadodara
22nd May,2023