

SAMVARDHANA MOTHERSON AUTO SYSTEM PRIVATE LIMITED

CIN: U50300DL2014PTC273269

Balance Sheet as on March 31, 2024

(All amounts in INR thousand, unless otherwise stated)

	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	6,027	2,019
Right-of-use assets	4	19,332	14,596
Other intangible assets	5	328	734
Intangible assets under development	5	-	-
Financial assets			
Other financial assets	6	1,170	636
Other non-current assets	7	267	158
Total non-current assets		27,124	18,143
Current assets			
Inventories	8	72,901	66,146
Financial assets			
i. Trade receivables	9	51,498	52,233
ii. Cash and cash equivalents	10	-	-
iii. Other financial assets	6	14	93
Current tax assets (net)	11	33	53
Other current assets	12	7,647	7,319
Total current assets		132,093	125,844
Total assets		159,217	143,987
EQUITY AND LIABILITIES			
Equity			
Share capital	13	10,100	10,100
Instruments entirely equity in nature	14	15,000	15,000
Other equity			
Reserves and surplus	15	(106,559)	(113,166)
Total equity		(81,459)	(88,066)
Liabilities			
Non current liabilities			
Financial Liabilities			
Lease liabilities		15,503	12,608
Borrowing	18	94,000	-
Employee benefit obligations	16	3,477	2,662
Deferred tax liabilities/(assets)	17	-	-
Total non-current liabilities		112,980	15,270
Current liabilities			
Financial Liabilities			
i. Lease liabilities		5,759	3,047
ii. Borrowings	18	28,514	92,112
iii. Trade payables	19		
Total outstanding dues of micro and small enterprises		25,314	25,948
Total outstanding dues of creditors other than micro and small enterprises		53,777	61,991
iv. Other financial liabilities	20	2,059	20,951
Employee benefit obligations	16	101	84
Other current liabilities	21	12,172	12,649
Total current liabilities		127,696	216,783
Total liabilities		240,676	232,053
Total equity and liabilities		159,217	143,987

Summary of material accounting policies

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The accompanying notes are an integral part of the financial statements

For and on behalf of the Board

As per our report of even date

For R K Khanna & Co.

Chartered Accountants

FRN 000033N

AMIT BHAKRI

Director

DIN-08230325

Vishal Swarupshyam Kabadi

Director

DIN-07562946

Vipin Bali

Partner

M.No.: 083436

Dhanaraj.N

Chief Operating Officer

PAN-ACAPG4542M

Place: Delhi

Date :

Rohit Rastogi

Manager Finance & Account

PAN- CQFPR0159E

Place: Delhi

Statement of Profit and Loss for year ended March 31, 2024

(All amounts in INR thousand, unless otherwise stated)

	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue			
Revenue from contract with customers	22(a)	375,903	379,934
Other operative revenue	22(b)	114	-
Total revenue from operations		376,017	379,934
Other income	23	1,013	319
Total income		377,030	380,252
Expenses			
Purchase of stock-in-trade		277,780	290,671
Change in stock-in-trade	24	(9,554)	(13,606)
Employee benefits expense	25	36,972	34,846
Finance costs	26	12,209	9,314
Depreciation and amortization expense	27	6,206	5,391
Other expenses	28	47,152	48,083
Total expenses		370,765	374,699
Profit/(loss) before tax		6,265	5,553
Tax expenses	29		
-Current tax		-	-
-Deferred tax expense/ (income)		-	-
Total tax expense		-	-
Profit/(loss) for the year		6,265	5,553
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations (Loss)/Gain		125	(684)
Other comprehensive income for the year, net of tax		125	(684)
Total comprehensive income for the year		6,390	4,869
Earnings/(loss) per share:			
	30		
Nominal value per share: INR 10 (Previous year : INR 10)			
Earnings per share: (In absolute figures)			
Basic		6.20	5.50
Diluted		2.50	2.21

Summary of material accounting policies

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SAMVARDHANA MOTHERSON AUTO SYSTEM PRIVATE LIMITED

CIN: U50300DL2014PTC273269

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

(All amounts in INR thousand, unless otherwise stated)

A.(i) Equity share capital

	Note	Amount
As at April 01, 2022		10,100
Issue of equity share capital	13	-
As at March 31, 2023		10,100
Issue of equity share capital	13	-
As at March 31, 2024		10,100

A.(ii) Changes in instruments entirely equity in nature

	Note	Amount
As at April 01, 2022		15,000
Issue of optionally convertible -non cumulative redemable preference shares	14	-
As at March 31, 2023		15,000
Issue of optionally convertible -non cumulative redemable preference shares	14	-
As at March 31, 2024		15,000

B. Other equity

Reserves and surplus

	Note	Retained Earnings	Equity contribution from holding Company	Total
Balance as at April 01, 2022	15	(118,708)	456	(118,252)
Profit for the year		5,553		5,553
Additions			217	
Other comprehensive income		(684)	-	(684)
Total comprehensive income for the year		4,869	217	5,086
Balance at March 31, 2023		(113,840)	673	(113,166)
Balance as at April 01, 2023		(113,840)	673	(113,166)
Profit for the year		6,265		6,265
Additions			217	
Other comprehensive income		125	-	125
Total comprehensive income for the year		6,390	217	6,607
Balance at March 31, 2024		(107,450)	891	(106,559)

Summary of material accounting policies

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The above statement of change in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board

**As per our report of even date
For R K Khanna & Co.
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Place: Delhi
Date :

Rohit Rastogi
Manager Finance & Account
PAN- CQFPR0159E

Place: Delhi

	For the year ended	
	March 31, 2024	March 31, 2023
A. Cash flow from operating activities:		
Net profit/(loss) before tax	6,265	5,553
Adjustments for:		
Depreciation & Amortisation	6,206	5,391
Provision for employee benefits	956	(730)
Interest income	(83)	(62)
Finance costs	12,209	9,314
Provision for Impairment loss on Intangible asset	-	500
Unrealised foreign exchange loss (net)	-	-
Operating profit/(loss) before working capital changes	25,553	19,966
Change in working capital:		
Increase/(decrease) in trade payables	(8,848)	7,516
Increase/(decrease) in other financial liabilities	(191)	(271)
Increase/(decrease) in other current liabilities	(477)	1,912
(Increase)/decrease in trade receivables	735	(9,769)
(Increase)/decrease in inventories	(6,755)	(12,515)
(Increase)/decrease in other financial assets	(374)	10
(Increase)/decrease in other current assets	(328)	801
(Increase)/decrease in other non-current assets	(109)	53
Cash used in operations	9,205	7,704
- Income tax paid (TDS)		
Fy 2022-23	(23)	(67)
Fy 2023-24	(33)	
- Income tax refund	76	35
- Interest on Income tax refund	3	2
Net cash flows from operating activities	9,228	7,674
B. Cash flow from Investing activities:		
Payments for property, plant & equipment	(5,086)	(1,985)
Net cash used in investing activities	(5,086)	(1,985)
C. Cash flow from financing activities:		
Proceeds from current borrowings from bank (net)	11,620	6,094
Proceeds from current borrowings from related party	94,000	5,000
Finance costs	(29,328)	(7,570)
Repayment of borrowings taken from related party	(75,000)	(5,000)
Payment of lease liabilities	(5,433)	(4,221)
Net cash flows from financing activities	(4,142)	(5,697)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(8)
Net Cash and Cash equivalents at the beginning of the year	-	8
Cash and cash equivalents as at current year closing	-	-
Cash and cash equivalents comprise of the following (Note 10)		
Cash on hand (Note 10)	-	-
Balances with banks (Note 10)	-	-
Cash and cash equivalents as per Balance Sheet	-	-

Notes:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
- The above cash flow statement should be read in conjunction with the accompanying notes

For and on behalf of the Board

As per our report of even date
For R K Khanna & Co.
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Place: Delhi

Place: Delhi

Date :

1. General information

Samvardhana Motherson Auto System Private Limited, wholly owned subsidiary of Samvardhana Motherson Innovative Solutions Limited (Formerly known as Tigers Connect Travel Systems and Solutions Limited), was incorporated on November 17, 2014 under the Companies Act, 2013, to engage in the business of manufacturing, servicing, trading, marketing, purchasing, selling, exporting, importing, distribution of parts, components, equipment, etc. for use in automotive/ non-automotive/ industrial or any other application or any industry as may be required and other engineering items for automobiles or any other applications as required.

2.1 Summary of material accounting policies.

a. Basis of preparation

Compliance with Ind- AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

For all periods up to and including the year ended 31 March 2018, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP or previous GAAP). These financial statements for the year ended 31 March 2024 are prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) which have been measured at fair value or revalued amount.

b. Presentation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following.

- (i) The normal course of business
- (ii) The event of default
- (iii) The event of insolvency or bankruptcy of the company and/or its counterparties

Summary of significant accounting policies

c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

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Notes to the financial statements for the year ended March 31, 2024

- Expected to be realized within twelve months after the reporting period, or
 - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Foreign currencies

(i) Functional and presentation currency

The Company's functional currency is Indian Rupee (INR) and the financial statements are presented in Indian Rupee (INR).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end Exchange rates are generally recognized in profit or loss. They are deferred in other comprehensive income if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognized in other comprehensive income.

e. Revenue recognition and other income

The Company recognizes revenue from contracts with customers based on a five-step model as set out in IND AS 115.

Step 1. Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service or both to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services or both to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognize revenue when (or as) the company satisfies a performance obligation.

The company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met

- (a) The company's performance does not create an asset with an alternate use to the Company and the Company has an enforceable right to payment for performance completed to date.
- (b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (c) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

When the company satisfies a performance obligation by delivering the promised goods or services or both it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty. The company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is recognized to the extent it is probable that the economic benefits will flow to the company and the revenue and costs, if applicable, can be measured reliably.

Sales of Goods:

Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales are recognized at single point of time when the control of goods are transferred to the buyer as per the terms of contract.

Interest Income:

Interest is recognized using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of financial instrument (for example, prepayment, extension, charges, call and similar options) but does not consider expected credit losses.

f. Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to off-set current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the entity has a legally enforceable right to off-set and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

g. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

As a Lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 0 to 3 years.
- Motor vehicles and other equipment's 0 to 5 years.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2 (h) Impairment of non-financial assets

ii) Lease Liabilities.

At the commencement date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The company's lease liabilities are included in Interest-bearing loans and borrowings.

iii) Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

- Quantitative disclosures and other disclosures are in (note 38)

As a Lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories are recognized in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the end of the financial year at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand short term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j. 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

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets

that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

Debt instruments at amortized cost

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

Debt instrument at FVPL

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so

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reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVPL.

Debt instruments included within the FVPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVOCI.
- (c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- (d) Loan commitments which are not measured as at FVPL.
- (e) Financial guarantee contracts which are not measured as at FVPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortized cost is recognized in other comprehensive income as the 'accumulated impairment amount'.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

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Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated Ind AS as FVPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if them.

Economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in statement of profit and loss, unless designated as effective hedging instruments.

Off- setting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in the balance sheet if there is a currently enforceable legal right to off-set the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

k. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

I. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure, net of any subsequent sale proceeds of items produced over the cost of testing, that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful life
Furniture and Fixture	6 years
Office equipment	5 years
Computers	3 years

*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on an assessment performed by the management of expected usage of these assets. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

m. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful live of intangible assets are as follows:

Assets	Useful life
Software	3 years

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

n. Inventories

Inventories are valued at the lower of cost and net realizable value.

Traded goods: - cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

o. Provisions, contingent liabilities, contingent assets and onerous contracts

Provisions

Provisions for legal claims, product warranties and make good obligations are recognized when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

p. Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Provident Fund

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The company recognizes contribution payable to the provident fund scheme as expenditure in the statement of profit and loss, when an employee renders the related service.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is unfunded.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience.

Adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognized immediately in income.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in statement of profit or loss in the period in which they arise. Past-service costs are recognized immediately in income.

q. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity

share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

'- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

'- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful life of property, plant and equipment

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the un-amortized depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan is determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term

nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
Further details about gratuity obligations are given in **Note 16**

(iii) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing Interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

New and amended Standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The Company previously recognised for deferred tax on leases on a net basis. As a result of these amendments, the Company has recognised a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet. There was also no impact on the opening retained earnings as at 1 April 2022.

3. Property, plant and equipment

Particulars	Furniture & fixtures	Office equipments	Computers	Total
Year ended March 31, 2023				
Gross carrying amount				
Opening gross carrying amount as at April 01, 2022	840	4,251	2,702	7,793
Additions during the year	-	1,355	418	1,773
Disposals during the year	-	-	-	-
Other adjustment	-	-	-	-
Closing gross carrying amount as at March 31, 2023	840	5,606	3,120	9,566
Accumulated depreciation				
Opening accumulated depreciation as at April 01, 2022	524	3,364	2,523	6,411
Depreciation charge during the year	139	817	180	1,137
Disposals during the year	-	-	-	-
Impairment loss	-	-	-	-
Closing accumulated depreciation as at March 31, 2023	663	4,181	2,703	7,548
Net carrying amount as at March 31, 2023	177	1,425	417	2,019
Quarter ended March 31, 2024				
Gross carrying amount				
Opening gross carrying amount as at April 01, 2023	840	5,606	3,120	9,566
Additions during the year	-	4,393	576	4,969
Disposals during the year	-	-	-	-
Closing gross carrying amount as at March 31, 2024	840	9,999	3,696	14,535
Accumulated depreciation				
Opening accumulated depreciation as at April 01, 2023	663	4,181	2,703	7,548
Depreciation charge during the year	97	610	253	961
Disposals during the year	-	-	-	-
Impairment loss	-	-	-	-
Closing accumulated depreciation as at March 31, 2024	760	4,792	2,957	8,509
Net carrying amount as at March 31, 2024	79	5,208	740	6,027

(i) Refer Note 40 for information on property plant and equipment hypothecated as security by the Company for credit facilities obtained from a bank

4. Right of Use Assets

Particulars	Buildings	Vehicles	Total
Year ended March 31, 2023			
Gross carrying amount			
Opening balance as on April 01, 2022	21,713	1,765	23,478
Additions during the year	-	-	-
Disposals during the year	-	-	-
Other adjustment	-	-	-
Closing gross carrying amount as at March 31, 2023	21,713	1,765	23,478
Accumulated depreciation			
Opening balance as on April 01, 2022	3,377	1,765	5,142
Depreciation charge during the year	3,740	-	3,740
Disposals	-	-	-
Closing accumulated depreciation as at March 31, 2023	7,117	1,765	8,882
Net carrying amount as at March 31, 2023	14,596	-	14,596
Year ended March 31, 2024			
Gross carrying amount			
Opening balance as on April 01, 2023	21,713	1,765	23,478
Additions during the year	3,449	6,010	9,459
Disposals during the year	(3,066)	(1,765)	(4,831)
Other adjustment	-	-	-
Closing gross carrying amount as at March 31, 2024	22,096	6,010	28,106
Accumulated depreciation			
Opening balance as on April 01, 2023	7,117	1,765	8,882
Depreciation charge during the year	3,920	803	4,723
Disposals during the year	(3,066)	(1,765)	(4,831)
Closing accumulated depreciation as at March 31, 2024	7,971	803	8,774
Net carrying amount as at March 31, 2024	14,125	5,208	19,332

5. Other intangible assets

Particulars	Softwares	Intangible assets under development
Year ended March 31, 2023		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2022	4,058	500
Additions during the year	212	-
Disposals during the year	-	-
Closing gross carrying amount as at March 31, 2023	4,270	500
Accumulated amortisation		
Opening accumulated amortisation/impairment as at April 01, 2022		
Amortisation charge during the year	515	-
Disposals during the year	-	-
Impairment loss	-	500
Closing accumulated amortisation/impairment as at March 31, 2023	3,536	500
Net carrying amount as at March 31, 2023	734	-
Year ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount as at April 01, 2023	4,270	500
Additions during the year	117	-
Disposals during the year	-	-
Other adjustments	-	(500)
Closing gross carrying amount as at March 31, 2024	4,387	-
Accumulated amortisation		
Opening accumulated amortisation/impairment as at April 01, 2023		
Amortisation charge during the year	523	-
Disposals	-	-
Impairment loss	-	-
Other adjustments	-	(500)
Closing accumulated amortisation/impairment as at March 31, 2024	4,059	-
Net carrying amount as at March 31, 2024	328	-

As at 31 March 2024

Intangible asset under development	Amount in CWIP for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Project suspended	-	-	-	-	-
Less: Provision has been reversed	-	-	-	-	-
Total	-	-	-	-	-

As at 31st March 2023

Intangible asset under development	Amount in CWIP for a period of				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
Inventory barcode system	-	-	-	500	500
Less : provision for impairment	-	-	-	(500)	(500)
Total	-	-	-	-	-

6. Other financial assets

(Unsecured, considered good)

Interest accrued on deposits with bank	
Security deposits	
Deposit with bank with maturity of more than 12 months*	
Total	

March 31, 2024		March 31, 2023	
Current	Non-current	Current	Non-current
14	-	4	-
-	1,022	89	488
-	148	-	148
14	1,170	93	636

*Margin for Bank guarantee provided to sales tax department

7. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

Prepaid expenses	
Total	

March 31, 2024	March 31, 2023
267	158
267	158

8. Inventories

Stock-in-trade *	
Less:- Provision for slow-moving inventory	
Total	

March 31, 2024	March 31, 2023
79,426	69,872
(6,525)	(3,726)
72,901	66,146

Inventory Includes inventory- in- transit(Sales)*

Stock-in-trade	1,727	1,257
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Refer Note 40 for information on property plant and equipment hypothecated as security by the Company for credit facilities obtained from a bank

9. Trade receivables

(Unsecured, considered good, unless otherwise stated)

-Related parties	
- Others trade receivable*	
-Credit impaired	

March 31, 2024	March 31, 2023
-	-
51,498	52,233
1,538	607
53,036	52,839
(1,538)	(607)
51,498	52,233

Less: Allowance for credit impaired

Total

Debtor Excludes sale-in-transit(Sales)*

Sales- in -transit	2,877	1,821
--------------------	-------	-------

Ageing schedule of Trade Receivables as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables							
- Considered good							
-Related parties	-	-	-	-	-	-	-
-Others	21,853	28,344	1,300	-	-	-	51,498
- Which have significant increase in credit risk							
- Credit impaired	-	-	1,300	238	-	-	1,538
Disputed trade receivables							
- Considered good							
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- Credit impaired							
	21,853	28,344	2,601	238	-	-	53,036
Less: Allowance for credit impaired	-	-	(1,300)	(238)	-	-	(1,538)
Total	21,853	28,344	1,300	-	-	-	51,498

Ageing schedule of Trade Receivables as at 31st March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables							
- Considered good							
-Related parties	-	-	-	-	-	-	-
-Others	21,918	29,842	473	-	-	-	52,233
- Which have significant increase in credit risk							
- Credit impaired	-	-	473	94	18	22	607
Disputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired							
	21,918	29,842	945	94	18	22	52,839
Less: Allowance for credit impaired	-	-	(473)	(94)	(18)	(22)	(607)
Total	21,918	29,842	473	-	-	-	52,233

10. Cash and cash equivalents

	March 31, 2024	March 31, 2023
Balances with banks:		
- in current accounts	-	-
- Deposits with original maturity of less than three months	-	-
Unpaid matured deposits/ debentures	-	-
Cash on hand	-	-
Total	-	-

Change in liabilities arising from financial activity

	As at 31st March 2023	Cash Flow	Non Cash Item*	As at 31st March 2024
Non current borrowings (Including current maturity of long term borrowing)	-	94,000	-	94,000
Current borrowing	92,112	(63,598)	-	28,514
Current and non current lease liabilities	15,656	(5,433)	11,040	21,262
	107,768	(69,030)	11,040	143,776

	As at 31st March 2022	Cash Flow	Non Cash Item*	As at 31st March 2023
Non current borrowings (Including current maturity of long term borrowing)	-	-	-	-
Current borrowing	86,235	5,877	-	92,112
Current and non current lease liabilities	18,296	(4,221)	1,581	15,656
	104,531	1,656	1,581	107,768

* Non cash item include new lease taken or termination of lease contracts and finance cost in case of lease liabilities.

11. Income tax assets (net)

	March 31, 2024	March 31, 2023
Opening balance	53	21
Less: Current tax payable for the year	-	-
Add: Taxes paid (TDS)	23	67
Fy 2022-23	33	-
Fy 2023-24	-	-
Less:- Income tax refund received	76	35
Less: Adjustments for current tax of prior periods	-	-
Add: Adjustments for earlier year	-	-
Closing balance	33	53

12. Other current assets

(Unsecured, considered good, unless otherwise stated)

	March 31, 2024	March 31, 2023
Prepaid expenses	441	330
Balances with government authorities	6,609	6,349
Advance to employees	468	525
Advance to suppliers	130	115
Total	7,647	7,319

13. Share Capital

	March 31, 2024	March 31, 2023
Authorised:		
Equity Share Capital		
5,000,000 (March 31, 2024: 5,000,000; March 31, 2023: 5,000,000) Equity shares of INR 10 each	50,000	50,000
Preference Share Capital		
2,000,000 2% Optionally convertible -Non cumulative redeemable preference shares of INR 10 each (March 31, 2024 : 2,000,000 ;March 31, 2023 : 2,000,000)	20,000	20,000
Total	70,000	70,000
Issued, Subscribed and Paid up:		
1,010,000 (March 31, 2024: 1,010,000; March 31, 2023: 1,010,000) equity shares of INR 10 each; fully paid-up	10,100	10,100
Total	10,100	10,100

a. Movement in equity share capital

	Numbers	Amount
As at March 31, 2022	1,010,000	10,100
Shares issued during the year	-	-
As at March 31, 2023	1,010,000	10,100
Shares issued during the Period	-	-
As at March 31, 2024	1,010,000	10,100

b. Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

Details of Promoters Shareholding

Sr. No.	Promoter Name	Shares held at March 31, 2024		% change during the year	Shares held at March 31, 2023		% change during the year
		No. of shares	% of total shares		No. of shares	% of total shares	
1	Samvardhana Motherson Innovative Solutions Limited*	1,010,000	100%	NIL	1,010,000	100%	NIL
Total		1,010,000	100%		1,010,000	100%	

*Include 15 shares held by nominees

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

SAMVARDHANA MOTHERSON AUTO SYSTEM PRIVATE LIMITED

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Notes to the financial statements for the year ended March 31, 2024

(All amounts in INR thousand, unless otherwise stated)

14. Instruments entirely equity in nature

Issued, Subscribed and Paid up:

1,500,000 2% Optionally convertible -Non cumulative redeemable preference shares of INR 10 each

(March 31, 2024: 1,500,000 ; March 31, 2023 : 1,500,000)

Total

	March 31, 2024	March 31, 2023
	15,000	15,000
Total	15,000	15,000

a. Movement in Instruments entirely equity in nature

As at March 31, 2022

Shares issued during the year

As at March 31, 2023

Shares issued during the year

As at March 31, 2024

	Numbers	Amount
As at March 31, 2022	1,500,000	15,000
Shares issued during the year	-	-
As at March 31, 2023	1,500,000	15,000
Shares issued during the year		
As at March 31, 2024	1,500,000	15,000

b. Terms and conditions of instrument:

The preference shares (1,50,00,000 preference shares were allotted on September,3 2019) can be converted into equity shares or redeemed at the discretion of the Board of Directors of the company at any time from the allotment date; further, shares can be redeemed at the discretion of investor on 20th anniversary of the allotment date unless previously converted into equity shares The preference shares shall be redeemed at the issue price i.e. INR 10/- share.

In the event of liquidation of the company, the equity share holders are eligible to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in the proportion to the number of equity shares held by the shareholders.

Details of Promoters Shareholding

Sr. No.	Promoter Name	Shares held at March 31, 2024		% change during the year	Shares held at March 31, 2023		% change during the year
		No. of shares	% of total shares		No. of shares	% of total shares	
1	Samvardhana Motherson Innovative Solutions Limited	1,500,000	100%	NIL	1,500,000	100%	NIL
Total		1,500,000	100%		1,500,000	100%	

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

SAMVARDHANA MOTHERSON AUTO SYSTEM PRIVATE LIMITED

CIN: U50300DL2014PTC273269

Notes to the financial statements for the year ended March 31, 2024

(All amounts in INR thousand, unless otherwise stated)

15. Reserves and surplus

	March 31, 2024	March 31, 2023
Retained earnings	(107,450)	(113,840)
Equity contribution from holding company	891	673
Total reserves and surplus	(106,559)	(113,166)

(i) Retained earnings

	March 31, 2024	March 31, 2023
Opening balance	(113,840)	(118,708)
Additions during the year	6,265	5,553
Remeasurements of post-employment benefit obligation	125	(684)
Closing balance	(107,450)	(113,840)

(ii) Equity contribution from holding Company

	March 31, 2024	March 31, 2023
Opening Balance	673	456
Additions during the year	217	217
Reversals during the year	-	-
Closing balance	891	673

16. Employee benefit obligations

	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Gratuity	36	2,173	26	1,697
Compensated absences	65	1,304	58	965
Total	101	3,477	84	2,662

The long term defined employee benefits and contribution schemes of the Company are as under:

A. Defined Benefit Schemes

Gratuity

Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The plan is unfunded.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

	For the year ended	
	March 31, 2024	March 31, 2023
Obligations at year beginning	1,723	1,443
Service Cost - Current	621	525
Interest expense	127	104
Amount recognised in profit or loss	748	628
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	-	-
Actuarial (gain) / loss from change in financial assumption	42	(46)
Experience (gains)/losses	(166)	731
Amount recognised in other comprehensive income	(125)	684
Benefits paid	(138)	(1,032)
Obligations at year end	2,209	1,723

(ii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2024	March 31, 2023
Present Value of the defined benefit obligations	2,209	1,723
Fair value of the plan assets	-	-
Amount recognized as Liability	2,209	1,723

(iii) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2024	March 31, 2023
Service Cost - Current	621	525
Interest Cost	127	104
Actuarial (gain) / loss	(125)	684
Net defined benefit obligations cost	624	1,313

(vi) Actuarial assumptions:

	March 31, 2024	March 31, 2023
Discount Rate per annum	7.22%	7.39%
Future salary increases	8.00%	8.00%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

vii) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is :

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2024	March 31, 2023		March 31,	March 31, 2023		March 31, 2024	March 31, 2023
Discount Rate per annum	0.5%	0.5%	Increase by	(126)	(107)	Decrease by	138	117
Future salary increases	0.5%	0.5%	Increase by	136	116	Decrease by	(126)	(107)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

viii) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.

(b) Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

ix) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 16 years (March 31, 2024: 16 years, March 31, 2023: 16 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2024 Defined benefit obligation (gratuity)	36	53	159	1,961	2,209
March 31, 2023 Defined benefit obligation (gratuity)	26	42	143	1,512	1,723

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund.

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 25):

Provident fund paid to the authorities

For the year ended	
March 31, 2024	March 31, 2023
1,691	1,415

17. Deferred tax liabilities/(assets)

The company has carried out a computation of deferred tax assets/ (liabilities); details are given below:

Year ended March 31, 2024

	As at April 01, 2023	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2024
Property, plant and equipment and other intangible assets	(514)	19	-	(495)
Borrowings	(164)	(60)	-	(224)
Total deferred tax liabilities	(678)	(41)	-	(719)
Set-off of deferred tax assets pursuant to set-off provisions				
Employee benefit provisions	691	(206)	31	866
Allowance for doubtful debts - trade receivables	153	(234)	-	387
Right to use- of- assets	(3,674)	1,192	-	(4,866)
Lease liability	3,940	(1,411)	-	5,351
Provision for slow moving inventories	938	(704)	-	1,642
Security Deposit	2	(3)	-	5
Provision for Impairment loss	-	-	-	-
Carried forward business losses	21,686.22	2,293	-	19,393
Unabsorbed depreciation	2,324.01	354	-	1,970
Total deferred tax assets	26,061	1,279	31	24,750
Net deferred tax assets	(26,739)	1,238	(31)	(25,469)
Less : Unrecognised deferred tax assets(Refer Note Below)	(26,739)	1,238	(31)	(25,469)
Recognised deferred tax assets	-	-	-	-

Note:

In view of Company's financial performance , the Company does not expect that it shall generate sufficient future taxable income to fully recover the carried forward losses and unabsorbed depreciation, hence deferred tax assets have been created only to the extent of deferred tax liabilities.

Year ended March 31, 2023

	As at April 01, 2022	Charge/ (credit) to Statement of Profit and Loss	Charge/(credit) to other comprehensive income	As at March 31, 2023
Property, plant and equipment and intangible assets	(460)	(55)	-	(514)
Borrowings	(107)	(57)	-	(164)
Total deferred tax liabilities	(567)	(111)	-	(678)
Set-off of deferred tax assets pursuant to set-off provisions				
Employee benefit provisions	726	207	(172)	691
Allowance for doubtful debts - trade receivables	10	(142)	-	153
Right to use- of- assets	(4,767)	(1,094)	-	(3,674)
Lease liability	4,757	817	-	3,940
Provision for slow moving inventories	685	(253)	-	938
Security Deposit	0	(2)	-	2
Carried forward business losses	25,371	3,685	-	21,686
Unabsorbed depreciation	2,043	(281)	-	2,324
Total deferred tax assets	28,825	2,937	(172)	26,061
Net deferred tax liabilities/(assets) (net)	(29,392)	2,826	172	(26,739)
Less : Unrecognised deferred tax assets(Refer Note Below)	(29,392)	2,826	172	(26,739)
Recognised deferred tax liabilities/ (assets) (net)	-	-	-	-

Note:

In view of Company's financial performance , the Company does not expect that it shall generate sufficient future taxable income to fully recover the carried forward losses and unabsorbed depreciation, hence deferred tax assets have been created only to the extent of deferred tax liabilities.

(All amounts in INR thousand, unless otherwise stated)

18. Current borrowings

	As at		As at	
	March 31, 2024		March 31, 2023	
	Current	Non-current	Current	Non-current
Secured				
Loan from from bank				
Indian rupee loan-cash credit from Axis Bank*	28,514	-	17,112	-
Unsecured				
Loan from related parties				
- Indian rupee loans	-	94,000	75,000	-
Total	28,514	94,000	92,112	-

Summary of credit facilities from Axis Bank Ltd.

Facility	Sanctioned		Utilised	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Cash Credit - Axis Bank	50,000	50,000	28,514	17,112
Letter of credit (within overall limit of INR 50 Million)	10,000	10,000	NIL	NIL
Bank guarantee(within overall limit of INR 50 Million)	10,000	10,000	NIL	NIL
Total	50,000	50,000	28,514	17,112

i) * Secured Loans

a) Nature of Security

Primary: Exclusive charge on the entire current assets and moveable fixed assets of the borrower, present and future (Refer Note 40)

Guarantors: Unconditional and irrevocable Corporate Guarantee of Samvardhana Motherson International Limited (formerly known as Motherson Sumi Systems Limited).

Principal Terms & Conditions (including interest rates)

Repo Rate + 3.50% p.a., i.e. 9% p.a. at present payable at monthly intervals.

The benchmark Repo Rate would be as prevalent on the date of the 1st disbursement and would be reset every 3 months. The spread of 3.50% would remain unchanged during the tenor of the facility.

b) Quarterly returns/ statements of current assets filed by the Company with bank are in agreement with books of account.

ii) Unsecured Loans

Principal Terms & Conditions (including interest rates)

Lender Name	Interest Rate	Amount (INR '000)	Maturity date	Repayment date
SMR Automotive System India Limited**		94,000	21st March 2027	-
Samvardhana Motherson Innovative Solutions Limited	RBI Repo Rate + 3% p.a. (9.50%)	40,000	21st March 2024	21st March 2024
		10,000	31st March 2024	
		20,000	21st May 2024	
SMR Automotive System India Limited		5,000	28th March 2024	19th March 2024

**The lender reserves the right to call back the loan as and when they deem fit.

** New loan taken during the year from fellow subsidiary

** Lender and the Borrower both have the right for prepayment, as per mutual consent, either partially or fully by giving Five business days' notice in advance

Note: Interest will be payable at the end of each month, failure of which interest will be charged on unpaid interest also.

19. Trade payables

	March 31, 2024	March 31, 2023
Total outstanding dues of micro and small enterprises (Refer Note 42)		
- Related parties (refer note 34)	1,166	201
- Trade Payable Others	24,147	25,747
Total outstanding dues of creditors other than micro and small enterprises		
- Related parties (refer note 34)	27,289	31,529
- Others	26,488	30,462
Total	79,091	87,940

Ageing schedule of Trade Payables as at 31st March 2024

Particulars	Outstanding for following periods from the due date of payment					Total
	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
MSME*						
- Related party	1,166	-	-	-	-	1,166
- Others	24,147	-	-	-	-	24,147
Disputed dues - MSME*						
- Related party	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Others						
- Related party	23,678	3,612	-	-	-	27,289
- Others	26,314	173	-	-	-	26,488
Disputed dues - Others						
-	-	-	-	-	-	-
Total	75,306	3,785	-	-	-	79,091

*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

(All amounts in INR thousand, unless otherwise stated)

Ageing schedule of Trade Payables as at 31st March 2023

Particulars	Outstanding for following periods from the due date of payment					Total
	Not Due	< 1 year	1-2 years	2-3 years	> 3 years	
MSME*						
- Related party	102	99	-	-	-	201
- Others	24,776	971	-	-	-	25,747
Disputed dues - MSME*						
- Related party		-	-	-	-	
- Others		-	-	-	-	
Others						
- Related party	24,623	6,906	-	-	-	31,529
- Others	7,594	22,859	9	-	-	30,462
Disputed dues - Others						
-		-	-	-	-	
Total	57,095	30,835	9	-	-	87,940

*Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

20. Other financial liabilities

Current

Interest accrued but not due on borrowings

Employee benefits payable

Creditors for capital goods

Total

	March 31, 2024	March 31, 2023
Interest accrued but not due on borrowings	242	18,942
Employee benefits payable	1,295	1,264
Creditors for capital goods	522	745
Total	2,059	20,951

21. Other current liabilities

Statutory dues

Provision for warranty

Advance received from customers

Total

	March 31, 2024	March 31, 2023
Statutory dues	7,993	8,058
Provision for warranty	2,416	1,550
Advance received from customers	1,762	3,042
Total	12,172	12,649

22(a). Revenue from contract with customers**Sales of products****Traded goods**

Within India

Outside India

Total Gross Sales

Less:- Rebates and discounts

Total revenue from contract with customers

	For the year ended	
	March 31, 2024	March 31, 2023
Within India	387,040	390,656
Outside India	7,239	4,843
Total Gross Sales	394,278	395,498
Less:- Rebates and discounts	18,376	15,565
Total revenue from contract with customers	375,903	379,934
22(b). Other operating revenue:		
Scrap sales	114	-
Total revenue from operations	376,017	379,934

23. Other income

Interest income from:

-Fixed deposit with bank

-Financial assets at amortized cost

-Interest on income tax refund

Provisions/liabilities written back to the extent no longer required

Miscellaneous income

Total

	For the year ended	
	March 31, 2024	March 31, 2023
-Fixed deposit with bank	10	15
-Financial assets at amortized cost	70	45
-Interest on income tax refund	3	2
Provisions/liabilities written back to the extent no longer required	666	251
Miscellaneous income	264	7
Total	1,013	319

24. Change in stock in trade

Opening Stock-in-trade

Total A

Closing Stock-in-trade

Total B**Change in stock in trade (A-B)**

	For the year ended	
	March 31, 2024	March 31, 2023
Opening Stock-in-trade	69,872	56,266
Total A	69,872	56,266
Closing Stock-in-trade	79,426	69,872
Total B	79,426	69,872
Change in stock in trade (A-B)	(9,554)	(13,606)

25. Employee benefits expenses

Salary , wages & bonus

Contribution to provident fund

Gratuity (Refer note 16)

Staff welfare expenses

Total

	For the year ended	
	March 31, 2024	March 31, 2023
Salary , wages & bonus	34,111	32,098
Contribution to provident fund	1,691	1,501
Gratuity (Refer note 16)	748	628
Staff welfare expenses	422	618
Total	36,972	34,846

26. Finance costs

Interest on borrowings from related parties

Interest on cash credit

Finance cost on corporate guarantee

Interest paid on statutory dues

Finance cost on lease liability

Total

	For the year ended	
	March 31, 2024	March 31, 2023
Interest on borrowings from related parties	8,988	7,003
Interest on cash credit	1,391	491
Finance cost on corporate guarantee	239	239
Interest paid on statutory dues	9	0
Finance cost on lease liability	1,581	1,581
Total	12,209	9,314

27. Depreciation and amortization expense

Depreciation- property, plant and equipment

Amortization- intangible assets

Depreciation- right of use asset

Total

	For the year ended	
	March 31, 2024	March 31, 2023
Depreciation- property, plant and equipment	961	1,137
Amortization- intangible assets	523	515
Depreciation- right of use asset	4,723	3,740
Total	6,206	5,391

28. Other expenses

	For the year ended	
	March 31, 2024	March 31, 2023
Electricity, water and fuel	1,119	1,153
Repair and maintenance-Machinery	341	204
Repair and maintenance-Others	150	235
Rent office considered short term	1,532	1,393
Amortisation cost of lease rent - factory premises	56	53
Lease rent car and others considered short term	86	634
Amortisation cost of lease rent - vehicles	27	-
Rates & taxes	280	406
Insurance	646	471
Donation	18	16
Travelling	6,484	7,002
Freight & forwarding	11,044	12,761
Provision for slow-moving inventory	2,799	1,092
Provision for doubtful debts	1,042	566
Payment to auditors (Refer note (a) below)	146	146
Legal & professional expenses	5,462	4,508
Printing and stationery	316	239
Business promotion	6,044	6,883
Communication expenses	369	311
Computer expenses	2,391	2,478
Office expenses	1,323	1,304
Bank charges	42	37
Security expenses	665	660
Sales and distribution expenses	2,241	3,258
Miscellaneous expenses	112	223
Provision for Impairment loss on Intangible asset under development/Warranty	-	500
Provision for Warranty	2,416	1,550
Total	47,152	48,083

(a): Payment to auditors:**As Auditor:**

	For the year ended	
	March 31, 2024	March 31, 2023
Audit fees	56	56
Limited review fees	90	90
Total	146	146

29. Income tax expense**Tax disclosures for the year ended March 31, 2024 under Ind AS 12****(a) Income tax expense recognised in profit and loss**

	For the year ended	
	March 31, 2024	March 31, 2023
Current tax	-	-
Total current tax expense	-	-
Deferred tax (Refer note 17)		
(Decrease) / increase in deferred tax liabilities	-	-
Total deferred tax expense / (benefit)	-	-
Income tax expense *	-	-

(b) Reconciliation of tax expense with the effective tax rate

	For the year ended	
	March 31, 2024	March 31, 2023
Profit/(loss) before income tax expense	6,265	5,553
Tax rate (Refer note below)	25%	25%
Calculated tax at applicable income tax rate	1,577	1,398
Tax effect of amounts which are deductible/not deductible (taxable) in calculating taxable income:	(112)	130
Other Adjustments		
Adjustment in respect of change in tax rate	-	941
Adjustment for tax of prior periods	(227)	358
Unrecognised deferred tax for the year	(1,238)	(2,826)
Income tax expense *	-	-

*Due to business losses and unabsorbed depreciation of previous years there is no income tax payable for the year.

Note :

The Company have elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 from AY 2023-24, Hence MAT Provisions are not applicable.

30. Earnings per share

	March 31, 2024	March 31, 2023
a) Basic		
Net profit/(loss) after tax available for equity shareholders	6,265	5,553
Weighted average number of equity shares	1,010,000	1,010,000
Basic earnings/(loss) per share(In absolute figure)	6.20	5.50
b) Diluted		
Net profit/(loss) after tax available for equity shareholders	6,265	5,553
Weighted average number of equity shares	2,510,000	2,510,000
Diluted earnings/(loss) per share(In absolute figure)	2.50	2.21
Reconciliation of Weighted Average Number of Shares Outstanding		
Weighted average number of equity shares (A)	1,010,000	1,010,000
Add: Total weighted average potential equity shares (B)	1,500,000	1,500,000
Total Weighted average number of equity shares (A+B)	2,510,000	2,510,000

31. Fair value measurements**i. Financial instruments by category**

	March 31, 2024			March 31, 2023		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Trade receivables*	-	-	51,498	-	-	52,233
Cash and cash equivalents*	-	-	-	-	-	-
Other financial assets*	-	-	14	-	-	93
Total financial assets	-	-	51,511	-	-	52,326
Financial Liabilities						
Borrowings*	-	-	28,514	-	-	92,112
Trade payables*	-	-	79,091	-	-	87,940
Other financial liabilities*	-	-	2,059	-	-	20,951
Total financial liabilities	-	-	109,664	-	-	201,002

*The carrying amounts of trade receivables, cash and bank balances, short term borrowings, trade payables and other financial assets and liabilities are considered to be the same as fair value due to their short term maturities.

ii. Fair value of non current financial assets and liabilities measured at amortised cost

	March 31, 2024		March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Other financial assets	1,170	1,170	636	636
	1,170	1,170	636	636

The fair value of non-current financial assets and liabilities carried at amortized cost is substantially same as their carrying amount.

iii. Valuation technique used to determine fair value

The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

32. Financial risk management

The company at present is engaged in the business of trading, marketing, purchasing, selling, exporting, importing, distribution of parts, components etc. for use in automotive/ non-automotive/ or any other application or any industry as may be required. The Company's centralised management structure with the main activities make necessary an organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

Market risk:

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate because of changes in market price/rate. Market risk comprises: Price risk, Foreign currency risk, Interest rate risk,

A Price risk:

Fluctuation in commodity price in the indian and international market affects directly and indirectly the price of trading goods sold by the Company.

The major purchases for the company's business of trading are auto suspension parts, cables, rear view mirrors. If there is substantial fluctuations in the same, the Company can mitigate risk through adopting the basket pricing approach and also negotiating with suppliers.

The Company aims to supply traded goods to market at cost effective prices, which would require upfront financial investments and its non realisation from the customers in a competitive market would impact profitability of the company.

B Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) which at present is at low level. The exchange variations in India has mainly impacted the imports.

The company does not have any derivative instruments outstanding at the end of reporting periods and further unhedged foreign currency exposure is given as follows:

Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

Particulars	Currency	As at March 31, 2024		As at March 31, 2023	
		Payable / (Receivable)		Payable / (Receivable)	
		Amount in Foreign currency	Amount in Rs.	Amount in Foreign currency	Amount in Rs.
Trade Payables/Receivable	USD	NIL	NIL	Nil	NIL

C Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. However, the Company's does not have any borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

Currently the Company has availed interest free loans and fixed rate loans from holding and ultimate holding companies, thus the company is not exposed to cash flow interest rate risk.

	March 31, 2024	March 31, 2023
Fixed rate borrowings	-	-
Variable rate borrowings	28,514	92,112
Total borrowings	28,514	92,112

D Credit risk:

The credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's are primary customers subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. No impairment loss has been recorded in respect of fixed deposits that are with a recognised commercial banks and are not past due.

E Liquidity risk:

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities:

Year Ended March 31, 2024	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	28,514	-	-	28,514
Lease liability	5,759	15,503	-	21,262
Trade payables	79,091	-	-	79,091
Other financial liabilities	2,059	-	-	2,059
Total non-derivative liabilities	115,423	15,503	-	130,926
Year Ended March 31, 2023	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	92,112	-	-	92,112
Lease liability	3,047	12,608	-	15,655
Trade payables	87,940	-	-	87,940
Other financial liabilities	20,951	-	-	20,951
Total non-derivative liabilities	204,049	12,608	-	216,657

33. Capital management**Risk management**

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Net Debt to EBITDA ratios were as follows:

	March 31, 2024	March 31, 2023
Net Debt	28,514	92,112
EBITDA	24,680	20,258
Net Debt to EBITDA	1.16	4.55

34. Related Party Disclosures

Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

(i) Holding Company:
Samvardhana Motherson Innovative Solutions Limited
Samvardhana Motherson International Limited (formerly Known as Motherson Sumi System Limited) (Ultimate Holding Company)
(ii) Fellow subsidiaries
Motherson Technology Services Limited (formerly MothersonSumi Infotech & Designs Limited) (MTSL)
Motherson Consultancies Service Limited (Amalgamated with Samvardhana Motherson International Limited with 01 April 2022 as the appointed date and 05 December 2023 as effective date.)
Samvardhana Motherson Innovative Solutions Limited
Motherson Invenzen Xlab Private Limited (Amalgamated with Samvardhana Motherson International Limited with 01 April 2022 as the appointed date and 05 December 2023 as effective date.)
SMR Automotive System India Limited
Samvardhana Motherson Global Carriers Limited
Motherson Air Travel Agencies Limited
(iii) Joint venture/Associates of Holding company
Marelli Motherson Automotive Lighting India Private Limited
Marelli Motherson Auto Suspension Parts Private Limited
Calsonic Kansei Motherson Auto Products Pvt. Ltd. (wef from January 21, 2022)
Motherson Sumi Wiring India Limited (wef from January 21, 2022)
(iv) Other Related Party
Motherson Auto Limited
Motherson Air Travel Agency GmbH
Spirited Auto Cars (I) Limited
Motherson Lease Solution Limited
(v) Key Management Personnel
Directors of the Company:
Mr. Vishal Swarupshyam Kabadi
Mr. Sanjay Mehta
Mr.Amit Bhakri (w.e.f. 15.03.2023)
Directors of Samvardhana Motherson Innovative Solutions Limited (SMISL):
Mr. Ashok Tandon
Mr. Parthasarathy Srinivasan
Mr. Sanjay Kalia
Mr. Shailesh Prabhakar Prabhune
Ms.Devangi Chinchankar
Ms. Madhu Bhaskar
Mr.Ajay Bahl
Key Managerial Personnel (KMP) of SMISL:
Mr. Kumarpal Jawaharlal Kothari (CFO)
Mr. Vineeth Chandran (Manager)
Ms. Ritu Seth (Company Secretary)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 38 (I) above:

(a) Key management personnel compensation

	March 31, 2024	March 31, 2023
Short-term employee benefits	8,093	7,426
Post-employment benefits	1,347	756
Long-term employee benefits	517	474
Termination benefits	-	-
Total compensation	9,957	8,656

(b) Transactions with related parties

S. No.	Particulars	Holding company		Fellow subsidiaries		Joint venture/Associates of Holding company		Other Related Party	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Reimbursements made	-	-	-	-	-	-	523	613
2	Business promotion expenses	-	-	1,470	30	-	-	-	-
3	Purchase of goods	40,755	41,591	-	18,920	84,074	70,033	-	-
4	Operating lease (Premises)*	-	-	300	100	-	-	1,532	1,393
5	Travel expenses	-	-	2,408	499	-	-	-	-
6	Purchase of fixed assets	-	-	693	631	-	-	-	-
7	Computer expenses	-	-	2,098	2,296	-	-	-	-
8	Operating lease (Vehicle)*	-	-	-	-	-	-	1,053	422
9	Professional expenses	1,890	1,640	9	27	-	-	12	-
11	Training expenses	11	12	-	-	-	-	-	-
12	Insurance Expense	13	13	-	-	-	-	-	-
13	Staff Welfare	-	-	-	-	-	-	120	120
14	Vehicle Maintanance	-	-	-	-	-	-	-	67
15	Transfer of an Employee.	-	2,001	-	-	-	-	-	-

* Represents transaction based on the contractual term with party and without considering the related IND AS adjustment

(c) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Holding company		Fellow subsidiaries		Joint venture/Associates of Holding company		Other Related Party	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1	Trade payables	10,334	13,519	1,748	3,511	16,596	14,669	161	33
2	Creditor for capital goods	-	-	-	540	-	-	-	-

SAMVARDHANA MOTHERSON AUTO SYSTEM PRIVATE LIMITED

CIN: U50300DL2014PTC273269

Notes to the financial statements for the year ended March 31, 2024

(All amounts in INR thousand, unless otherwise stated)

(d) Loans & advances to / from related parties

S. No.	Particulars	Holding company/Fellow Subsidiaries		Other Related Party	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
i.	Security deposits:*				
	Beginning of the year	-	-	99	361
	Given	-	-	-	-
	Refunded	-	-	10	262
	End of the year	-	-	89	99
ii.a.	Loans:				
	Beginning of the year	75,000	75,000	-	-
	Taken	94,000	-	-	-
	Repaid	75,000	-	-	-
	End of the year	94,000	75,000	-	-
ii.b.	Interest payable:		-	-	-
	Beginning of the year	18,942	18,779		
	Charged	8,988	7,003		
	Paid	27,689	6,840		
	Payable at year end	242	18,942		

* Represents transaction based on the contractual term with party and without considering the related IND AS adjustment

35. Segment Information:**Description of segments and principal activities**

The Company is primarily in the retailing business of auto spare parts and accessories and operates from India.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Officer "COO" of the Company. The COO is responsible for allocating resources and assessing performance of the operating segments. The Company operates through a single segment, hence there are no reportable segments as per Ind AS 108 "Operating Segments".

Information about geographical areas:

The following information discloses revenue from external customers based on geographical areas:

i) Revenue from external customers

	March 31, 2024	March 31, 2023
India	368,664	375,091
Outside India	7,239	4,843
Total	375,903	379,934

ii) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

	March 31, 2024	March 31, 2023
India	25,955	17,507
Outside India	-	-
Total	25,955	17,507

iii) There are no revenues from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues.

36. Contingent liabilities:

	March 31, 2024	March 31, 2023
Bank guarantee to sales tax authority	148	148
Total	148	148

37. Ind AS 115 Revenue from Contracts with Customers

The Company has applied Ind AS 115 Revenue from contracts from customers with effect from April 01, 2018 Further disclosures given in relation to contracts with customers are as under:

I. The company has provided for doubtful debts during the current year.

The Company derives revenue from the transfer of goods at a point in time in the following major product lines and geographical regions:

Movement for provision for doubtful debts	Amount
Opening balance (April 01, 2023)	607
Add: Additions	1,042
Less: Write off	(111)
Less: Reversal	-
Closing balance (March 31, 2024)	1,538

II. Revenue by category	March 31, 2024	March 31, 2023
Revenue by major product lines		
Sale of products		
Within India	368,664	375,091
Outside India	7,239	4,843
Total revenue from contract with customers	375,903	379,934
III. Timing of revenue recognition		
At a point in time	375,903	379,934
Over time	-	-
Total revenue from contract with customers	375,903	379,934

IV. Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers

Particulars	March 31, 2024	March 31, 2023
Receivables	51,498	52,233
Contract liabilities (advance from customers)	1,762	3,042

V. Revenue from contracts with customers

Particulars	March 31, 2024	March 31, 2023
Revenue recognized from amounts included in advance from customers at the beginning of the year	2,873	1,330
	2,873	1,330

38. Disclosure under Ind AS 116 Leases

Ind AS 116 is effective for annual periods beginning on or after April 01, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The Company has adopted Ind AS 116 effective annual reporting period beginning April 01, 2019 by following modified retrospective approach and its impact on financial statement presented below:

The company has lease contracts for various items of vehicles, other equipment and building. Before the adoption of Ind AS 116, the company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 2(g) Leases for the accounting policy beginning April 01, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the company.

The lease liabilities as at March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Current lease liabilities	5,759	3,047
Non-current lease liabilities	15,503	12608
Lease liabilities as at 31st March 2024	21,262	15,655

Impact Assessment of Ind AS 116

(i) Impact on the statement of financial position (increase/(decrease)) as at 31st March, 2024

	March 31, 2024	March 31, 2023
Assets		
Right - of - use assets	19,333	14,596
Liabilities		
Lease liabilities	21,262	15,655
Net Impact on equity	(1,929)	(1,059)

(ii) Impact on the statement of profit or loss (increase/(decrease)) for the year ended March 2024:

	March 31, 2024	March 31, 2023
Lease rent	5,433	4,221
Depreciation expense	(4,723)	(3,740)
Finance Cost	(1,581)	(1,581)
	(870)	(1,100)

Other disclosures

Commitment for short term lease

-

The maturity analysis of lease liabilities are disclosed in Note 32.

The effective interest rate for lease liabilities is 9% for buildings , with maturity between 2022-2026

The company had total cash outflows for leases of INR 54,32,822 in March 31, 2024 (excluding leases accounted as short-term and/ or low value leases)

Short-term and/ or low value leases

	March 31, 2024	March 31, 2023
Lease rent paid		
-Premises	1,532	1,393
-Car	86	634
	1,618	2,026

39	Ratio Analysis and its elements	For the year ended				% change	Reason for variance for more than 25%
		Numerator	Denominator	March 31, 2024	31-Mar-23		
(a)	Current Ratio	Current Assets	Current Liabilities	1.03	0.58	78.2%	Variance is due to repayment of short term borrowings and increase in inventory.
(b)	Debt- Equity Ratio	Debt	Share holder's equity	(0.61):1	(1.22):1	-50.1%	Variance is due to increase of cumulative profit by which negative Equity got reduced and increase in loan.
(c)	Debt Service Coverage Ratio	Earnings before interest, depreciation, tax and exceptional items	Debt Service	0.21:1	0.21:1	-2.1%	
(d)	Return on Equity Ratio	Profit after tax	Average share holder's equity	-7.39%	-3.86%	91.6%	Variance is due to accumulated PAT from FY 23 and FY 24
(e)	Inventory Turnover Ratio	Cost of goods sold	Average inventories	3.86:1	3.76:1	2.6%	
(f)	Trade Receivable Turnover Ratio	Revenue from contract with customers	Average Trade Receivables	7.25:1	6.73:1	7.7%	
(g)	Trade Payable Turnover Ratio	Net purchases	Average Trade Payable	3.32:1	2.52:1	31.6%	Variance is due to the Increase In the purchase of finished goods in FY 2023-24
(h)	Net Capital Turnover Ratio	Revenue from contract with customers	Average Working Capital	(2.4):1	(4.04):1	-40.1%	Variance is due to repayment of short term borrowings during the year.
(i)	Net Profit Ratio	Profit after tax	Revenue from Operations	1.7%	1.5%	14.0%	Variance is due to improvement in PAT due to sales of high margin product like aerobin in FY 2023-24
(j)	Return on Capital Employed	Earnings before interest and taxes	Average Capital Employed	45%	96%	-52.9%	Variance is due to Addition in Fixed Assets and Increase in Inventory in FY 2023-24 comparison to FY 2022-23.
(k)	Return on Investment			N.A	N.A		

40. Assets hypothecated as security with Axis Bank Ltd.

The carrying amount of assets pledged as security for current and non-current borrowings are as follows:

	Notes	March 31, 2024	March 31, 2023
Current:			
Financial assets			
First charge			
i. Trade receivables	9	51,498	52,233
ii. Cash and cash equivalents	10	-	-
iv. Other financial assets	6	14	93
Non-financial assets			
Inventories	8	72,901	66,146
Other current assets	12	7,647	7,319
Total current assets hypothecated as security		132,060	125,791
Non Current:			
First charge			
Property, plant and equipment	3	6,027	2,019
Total non-current assets hypothecated as security		6,027	2,019
Total assets hypothecated as security		138,087	127,810

41. Due to micro, small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The principal amount due (provided in the books of accounts) and interest thereon (not provided in the books of accounts) is as follows:

Particulars	March 31, 2024	March 31, 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	25,314	25,948
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

42. Capital and other Commitments

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

Property, plant and equipment	March 31, 2024	March 31, 2023
Estimated value of contracts in capital account remaining to be executed	NIL	608
Total	-	608

43. Corporate Social Responsibility

The Company does not have any obligation to incur Corporate Social Responsibility(CSR) expenditure in accordance with Section 135 of the Companies Act, 2013 for the year or for any earlier year.

44. Other Statutory Information -

- (i) There are no proceedings that have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules thereunder
- (ii) There are no transactions with companies that are struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 2013
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(viii) The Company is not declared as wilful defaulter by any bank or financial institutions.

(ix) The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) and intangible assets during the year

(x)The Company does not own any immovable properties

45.The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

46. Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company. Previous years figures have been regrouped / restated wherever necessary to conform with current years classification.

For and on behalf of the Board

**As per our report of even date
For R K Khanna & Co.
Chartered Accountants
FRN 000033N**

**AMIT BHAKRI
Director
DIN-08230325**

**Vishal Swarupshyam Kabadi
Director
DIN-07562946**

**Vipin Bali
Partner
M.No.: 083436**

**Dhanaraj.N
Chief Operating Officer
PAN-ACAPG4542M
Place: Delhi
Date :**

**Rohit Rastogi
Manager Finance & Account
PAN- CQFPR0159E**

Place: Delhi