

INDEPENDENT AUDITOR'S REPORT

To the Members of Metalman Auto Limited (Formerly as Metalman Auto Private Limited)
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Metalman Auto Limited (hereinafter referred to as the "Holding Company"), its subsidiary, a partnership firm (Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements including material accounting policy information and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024, and its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs"), as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

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

The Holding Company's Board of Directors are responsible for the other information. The other information included in Director's report but does not include the standalone and the consolidated financial statements and our auditor's reports thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

Other Matters

- a. We did not audit the special purpose Ind AS financial statements of a subsidiary (a partnership firm "Metalman Micro Turners"), whose financial statements reflect total assets of Rs. 2,290.60 million as at March 31, 2024, total revenues of Rs. 5,124.98 million and net cash outflows amounting to Rs. 0.05 million for the year ended on that date, as considered in the consolidated financial statements. These special purpose Ind AS financial statements have been audited by their auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of their auditors.



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- b. The consolidated financial statements of the Group for the year ended March 31, 2023, were audited by another auditor whose report dated September 5, 2023, expressed an unmodified opinion on those statements.
- c. The comparative financial information of the Group for the year ended March 31, 2023 and the transition date opening balance sheet as at April 1, 2022 included in these consolidated financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021, specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditor whose report for the year ended March 31, 2023 and March 31, 2022 dated September 5, 2023 and September 2, 2022 respectively expressed an unmodified audit opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by the predecessor auditor of the Company on which they have issued unmodified opinions dated July 11, 2024.

Our opinion on the consolidated financial statements is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Holding Company so far as it appears from our examination of those books except for the matters stated in the paragraph (h) (vi) below on reporting under Rule 11(g).
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company are disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h) (vi) below on reporting under Rule 11(g).
 - g. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".



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- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 42 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - iv.
 - a. The Managements of the Holding Company have represented to us that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds by the Holding Company to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The Managements of the Holding Company have represented to us, to the best of their knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and according to the information and explanations provided to us by the Management of the Holding Company in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material mis-statement.
 - v. The Holding Company has neither declared nor paid any dividend during the year.
 - vi. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that audit trail feature is not enabled for any direct changes made to certain transaction tables at the application levels.

The audit trail facility which has been enabled, as explained above, has been operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.



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2. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder were not applicable to the Holding Company, as it was a private company during the year ended March 31, 2024.
3. The details of Qualifications/adverse remarks made by us in the CARO report of the Holding Company are as follows:

Sr. No	Name of the Company	CIN	Type of Company	Clause number of the CARO Report which is qualified or Adverse
1	Metalman Auto Limited (Formerly as Metalman Auto Private Limited)	U34103DL1986PLC305213	Holding	Clause ii (b) of Annexure B to independent auditors' Report

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Vinod Gupta
Partner
Membership No. 503690



UDIN: 24503690BKPEWU7116

Place: Delhi
Date: July 11, 2024

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METALMAN AUTO LIMITED FOR THE YEAR ENDED MARCH 31, 2024.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinod Gupta
Partner
Membership No.503690



UDIN: 24503690BKEPWU7116

Place: Delhi
Date: July 11, 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF METALMAN AUTO LIMITED FOR THE YEAR ENDED MARCH 31, 2024

Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Metalman Auto Limited on the Consolidated Financial Statements for the year ended March 31, 2024.

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls reference to consolidated financial statements of Metalman Auto Limited (hereinafter referred to as "the Holding Company"). The subsidiary within the Group is a partnership firm and not the company incorporated under the Act, therefore the reporting requirements on adequacy and operating effectiveness of internal financial control under Section 143 (3) (i) of the Act is not applicable for the subsidiary.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal financial controls with reference to consolidated financial statements criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management and Board of Director's Responsibility for Internal Financial Controls

The Holding Company's Management and the Board of Directors of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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



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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Vinod Gupta
Partner
Membership No.503690



UDIN: 24503690BKEPWU7116

Place: Delhi
Date: July 11, 2024

Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1936PLC305213)
Consolidated Balance Sheet as at March 31, 2024
(Amount in Rupees million, unless otherwise stated)

Particulars	Notes	As at	As at	As at
		31 March 2024	31 March 2023	1 April 2022
Assets				
Non-current assets				
Property, plant and equipment	3	4,516.24	4,430.33	2,628.76
Right of use assets	4	530.42	589.41	181.69
Capital work-in-progress	5	107.62	86.85	25.00
Goodwill	48	179.90	179.90	-
Intangible assets	6	25.38	27.42	1.95
Financial assets:				
i) Investments	7	-	-	456.58
ii) Other financial assets	8	45.39	52.13	39.81
Current tax assets	9	27.43	-	-
Other non-current assets	10	254.61	151.52	21.43
Total non-current assets		5,686.99	5,517.56	3,355.22
Current assets				
Inventories	12	1,055.43	950.77	743.37
Financial assets:				
i) Trade receivables	13	1,831.18	1,964.42	1,252.67
ii) Cash and cash equivalents	14	33.96	177.25	3.55
iii) Bank balances other than cash and cash equivalents	15	9.30	11.92	6.60
iv) Loans	16	2.15	0.86	-
v) Other financial assets	8	173.92	235.15	206.99
Other current assets	17	107.75	198.24	124.40
Total current assets		3,213.69	3,538.61	2,337.58
Assets classified as held for sale	11	333.37	-	-
Total Assets		9,234.05	9,056.17	5,692.80
Equity and Liabilities				
Equity				
Equity share capital	18	27.19	27.19	27.19
Other equity:	19 a	3,290.53	2,791.46	2,157.37
Equity attributable to owners of the Company		3,317.72	2,818.65	2,184.56
Non-controlling interest	19 b	36.78	34.55	-
Total equity		3,354.50	2,853.20	2,184.56
Liabilities				
Non-current liabilities				
Financial liabilities:				
i) Borrowings	20	1,860.68	1,909.78	1,431.65
ii) Lease liabilities	21	23.60	20.35	29.55
Provisions	22	47.75	28.13	27.70
Deferred tax liabilities (net)	23	602.38	663.13	302.94
Total non-current liabilities		2,534.41	2,621.39	1,791.84
Current liabilities				
Financial liabilities:				
i) Borrowings	20	1,266.47	1,196.67	422.74
ii) Lease liabilities	21	20.76	15.32	13.11
iii) Trade payables	24			
- total outstanding dues of micro and small enterprises		129.39	106.04	28.69
- total outstanding dues of creditors other than micro and small enterprises		1,299.70	1,624.35	996.09
iv) Other financial liabilities	25	273.16	173.75	114.92
Other current liabilities:	26	344.13	282.03	108.80
Provisions	22	11.53	9.57	4.12
Current tax liabilities (net)	27	-	173.85	27.93
Total current liabilities		3,345.14	3,581.58	1,716.40
Total Equity and Liabilities		9,234.05	9,056.17	5,692.80

Material accounting policies

Note 2

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

In terms of our report of even date

For M S K & Associates

Chartered Accountants

ICAI Firm Registration No.: 105017W

Vinod Gupta

Partner

Membership No.: 503690

Place: Delhi

Date: July 11, 2024



For and on behalf of the Board of Directors of

Metalman Auto Limited

(Formerly as Metalman Auto Private Limited)

Naresh Bhatnagar

Managing Director

DIN: 01620652

Ajay Kumar Dubey

Chief Financial Officer

Bikramjit Bemb

Chairman

DIN: 01677152

Tarun Kumar

Company Secretary

M.NO: F9256



Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Consolidated Statement of Profit and Loss for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

Particulars	Notes	Year ended	Year ended
		31 March 2024	31 March 2023
Income			
Revenue from operations	28	15,075.97	10,503.91
Other income	29	150.40	423.02
Total Income (I)		15,226.37	10,926.93
Expenses			
Cost of materials consumed	30	10,868.19	7,860.49
Changes in inventories of finished goods and work-in-progress	31	(29.43)	(38.35)
Employee benefits expense	32	794.27	541.90
Finance costs	33	276.81	140.36
Depreciation and amortisation expense	34	499.04	295.47
Other expenses	35	2,276.14	1,411.87
Total expenses (II)		14,685.02	10,211.74
Profit before share of net profits of associate and tax (I-II)		541.35	715.19
Share of net profit of associate		-	27.40
Profit before tax (I-II)		541.35	742.59
Tax expense:			
Current tax	23	137.52	109.08
Taxation related to earlier years		(34.99)	(0.12)
Deferred tax charge/(benefits)		(61.22)	2.52
Total tax expenses		41.31	111.48
Profit for the year		500.04	631.11
Other Comprehensive Income			
Items that will not be reclassified to profit or loss in subsequent period			
Re-measurement (loss)/gain on defined benefit plans		1.73	3.56
Share of other comprehensive income in associate		-	0.15
Income tax effect		(0.47)	(1.24)
Total other comprehensive income for the year, net of tax		1.26	2.47
Total comprehensive income for the year, net of tax		501.30	633.58
Profit for the year attributable to			
Owners of the Company		497.81	631.62
Non-controlling interests		2.23	(0.51)
Other Comprehensive Income for the year attributable to			
Owners of the Company		1.26	2.47
Non-controlling interests		-	-
Total Comprehensive Income for the year attributable to			
Owners of the Company		499.07	634.09
Non-controlling interests		2.23	(0.51)
Earnings per equity share (Nominal value per share Rs. 10)			
Basic and Diluted (in Rs.)	36	6.16	7.74
Material accounting policies	Note 2		

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

In terms of our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.. 105047W


Vinod Gupta
Partner
Membership No.: 503690
Place: Delhi
Date: July 11, 2024




For and on behalf of the Board of Directors of
Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)




Navneet Jindal
Managing Director
DIN: 01620652


Ajay Kumar Dubey
Chief Financial Officer


Bikramjit Bemb
Chairman
DIN: 01677152


Tarun Kumar
Company Secretary
M.NO: F9256

Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Consolidated Cash Flow Statement for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	541.35	742.59
<i>Adjusted for :</i>		
Depreciation and amortisation expense	499.04	295.47
Net loss on sale of property, plant and equipment (net)	3.88	14.19
Re-measurement to fair value of existing equity interest in acquiree in business combination	-	(392.41)
Finance costs	276.81	140.36
Share of net profit of associate	-	(27.40)
Interest income	(2.17)	(1.35)
Operating Profit before Working Capital Changes	1,318.91	771.45
<i>Working capital adjustments:</i>		
Decrease/ (Increase) in loans	(1.29)	(0.86)
Decrease/ (Increase) in other financial assets	67.74	0.80
Decrease/ (Increase) in inventories	(104.66)	(23.72)
Decrease/ (Increase) in trade receivables and contract assets	133.24	20.89
Decrease/ (Increase) in other assets	10.84	128.68
(Decrease)/ Increase in other financial liabilities	128.15	14.32
(Decrease)/ Increase in provisions	23.31	9.44
(Decrease)/ Increase in other liabilities	62.10	11.91
(Decrease)/ Increase in trade payables	(301.30)	4.14
(Decrease)/ Increase in liabilities directly associated with assets classified as held for sale	(16.98)	-
	1.15	165.60
Cash generated from operations	1,320.06	937.05
Direct taxes refund/ (paid)	(303.81)	(149.75)
Net Cash from Operating activities (A)	1,016.25	787.30
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets (including capital advances)	(904.51)	(336.35)
Investment in capital of partnership firm (subsidiary)	-	(997.80)
Sale of property, plant and equipment	11.62	43.23
Investment in/ proceeds from fixed deposits (net)	2.60	(7.62)
Interest received	2.33	0.64
Net Cash used in Investing Activities (B)	(887.96)	(1,297.90)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Principal and interest payment of lease liabilities	(19.95)	(17.80)
Interest paid other than on lease liabilities	(272.33)	(129.94)
Proceeds/ (Repayment) from long term borrowings	(180.95)	316.27
Proceeds/ (Repayment) of short term borrowings	201.65	452.68
Net Cash flow from in/(used) Financing Activities (C)	(271.58)	621.21
Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(143.29)	110.61



Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Consolidated Cash Flow Statement for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

Cash and cash equivalents at beginning of year	177.25	3.55
Cash received from subsidiary on account of Business Combination	-	63.09
	<u>33.96</u>	<u>177.25</u>
Cash and cash equivalents at end of the year		
Components of cash and cash equivalents		
Cash on hand (including digital wallet)	2.27	1.93
Balance with banks:		
In current accounts	31.69	175.32
	<u>33.96</u>	<u>177.25</u>

Material accounting policies

Note 2

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

Note:

The Statement of cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows'.

In terms of our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.: 105047W

For and on behalf of the Board of Directors of
Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)



Vinod Gupta

Vinod Gupta
Partner
Membership No.: 503690
Place: Delhi
Date: July 11, 2024



Narinder Jaurath

Narinder Jaurath
Managing Director
DIN: 01620652

Ajay Kumar Dubey
Ajay Kumar Dubey
Chief Financial Officer

Bikramjit Bemb

Bikramjit Bemb
Chairman
DIN: 01677152

Tarun Kumar
Tarun Kumar
Company Secretary
M.NO:F9256

Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Consolidated Statement of Change in Equity for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

A. Equity share capital (refer note 18)

Equity shares of Rs. 10 each issued, subscribed and fully paid

	Number	Amount
As at 1 April 2022	27,19,174	27.19
Issue of share capital	-	-
As at 31 March 2023	27,19,174	27.19
Issue of share capital	-	-
As at 31 March 2024	27,19,174	27.19

B. Other equity (refer note 19)

Particulars	Reserves and Surplus			Total equity (refer note 19)	Non- controlling Interest
	Securities Premium	General Reserve	Retained Earnings		
As at 1 April 2022	23.75	38.32	2,095.30	2,157.37	-
Addition on account of Business combination (refer note 18)	-	-	-	-	35.06
Net income for the year	-	-	631.62	631.62	(0.51)
Other comprehensive income	-	-	2.47	2.47	-
Total comprehensive income	-	-	634.09	634.09	34.55
As at 31 March 2023	23.75	38.32	2,729.39	2,791.46	34.55
Net income for the year	-	-	497.81	497.81	2.23
Other comprehensive income	-	-	1.26	1.26	-
Total comprehensive income	-	-	499.07	499.07	2.23
As at 31 March 2024	23.75	38.32	3,228.46	3,290.53	36.78

Material accounting policies

Note 2

The accompanying notes 1 to 52 form an integral part of these consolidated financial statements.

In terms of our report of even date
For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.: 105047W

For and on behalf of the Board of Directors of
Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)



Vinod Gupta
Partner
Membership No.: 503690

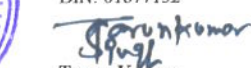



Navneet Vairath
Managing Director
DIN: 01620652


Ajay Kumar Dubey
Chief Financial Officer




Bikramjit Bemb
Chairman
DIN: 01677152


Tarun Kumar
Company Secretary
M.NO:F9256

1. Group information

Metalman Auto Limited ('the Company' or 'Parent Company' or 'Holding Company') together with its subsidiary, a partnership firm (collectively, "the Group") is engaged in the manufacturing and selling of Auto Parts. The Parent Company incorporated under the provisions of the Companies Act, 1956 and was incorporated on 16th May 1986. The registered office of the Parent Company is located at JMK Tower, NH-8, First Floor, Mustatil No. 44, Killa No. 5, Village Kapashera, New Delhi, Delhi, India, 110037.

The Parent Company was converted into a public limited company under the Companies Act, 2013 on 3rd July, 2024 and consequently, the name was changed to "Metalman Auto Limited". The Subsidiary, a partnership firm, Metalman Micro Turners domiciled in India was incorporated on 3rd March 2010. The aforesaid subsidiary was an associate entity upto 28th March 2023.

2. Basis for preparation and measurement

2.1 (a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

For all periods up to and including the year ended 31 March 2023, the Group prepared its consolidated financial statements in accordance with Indian GAAP including accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These consolidated financial statements for the year ended 31 March 2024 are the first being prepared in accordance with Ind AS.

As these are the Group first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 50.

The consolidated financial statements have been prepared on a historical cost basis, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The consolidated financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lacs (Rs. 00,000), except when otherwise indicated.

All assets and liabilities have been classified as current or non-current according to the Group operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities.



(b) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Holding Company along with its subsidiary as at 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group voting rights and potential voting rights
- (iv) The size of the group holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31. When the end of the reporting period of the Holding Company is different from that of other group companies, the other group companies prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of the group companies, unless it is impracticable to do so.

The Consolidated Financial Statements comprise the Consolidated Financial Statements of the Holding Company and the following subsidiary:

Name of the Partnership Firm	Relationship	Year of incorporation	Country of incorporation	Effective % of Holding	
				As at 31 March 2024	As at 31 March 2023
Metalman Micro Turners *	Subsidiary (w.e.f. 29 March 2023)	2010	India	98.00%	98.00%

- Upto 28 March 2022, it was an associate with 48% share. Further, 50% share acquired on 29 March 2023.



(c) Consolidation Procedures:

Subsidiary

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the Holding Company investment in each subsidiary and the Holding Company portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- (a) Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- (b) Derecognises the carrying amount of any noncontrolling interests
- (c) Derecognises the cumulative translation differences recorded in equity
- (d) Recognises the fair value of the consideration received
- (e) Recognises the fair value of any investment retained
- (f) Recognises any surplus or deficit in profit or loss
- (g) Recognise that distribution of shares of subsidiary to Group in Group capacity as owners
- (h) Reclassifies the Holding Company share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities.

The Group treats transaction with non-controlling interests that do not result in a loss of control as transaction with the equity owners of the Group. A change in ownership interest results in adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.



The Group investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If the Group share of losses of an associate or joint venture equals or exceeds its interest in the associate or joint venture (which includes any long term interest that, in substance, form part of the Group net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The Group discontinue the use of equity method from the date the investment is classified as held for sale in accordance with Ind AS 105 - Non-current Assets Held for Sale and Discontinued Operations and measures the interest in associate and joint venture held for sale at the lower of its carrying amount and fair value less cost to sell.

(d) Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition related costs are expensed as incurred.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Standalone Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.



On an acquisition by-acquisition basis, the Group recognises any noncontrolling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- (i) Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- (ii) Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- (iii) Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- (iv) Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Noncurrent Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- (v) Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.



A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date. Business Combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and where that control is not transitory is accounted using the pooling of interests method as enumerated below:

- (a) The assets and liabilities of the combining entities are reflected at their carrying amounts.
- (b) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- (c) The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information shall be restated only from that date.
- (d) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with corresponding balance appearing in the financial statements of the transferee or is adjusted against revenue reserve.
- (e) The identity of the reserves shall be preserved and shall appear in the financial statements of the transferee in the same form in which they appeared in the financial statements of the transferor.
- (f) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to revenue reserves/ capital reserves.

2.2 Material accounting policies

a. Property, plant and equipment (“PPE”)

- (i) Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any as at 31 March 2022. The Group has elected to regard those values of property as deemed cost at the date of the transition to Ind AS, i.e., 1 April 2022.

Property, plant and equipment are stated at cost i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation, net of accumulated depreciation and accumulated impairment losses, if any.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss.



Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the Statement of Profit and Loss in the year of occurrence.

Depreciation on property, plant and equipment are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 as described below:

Class of asset	Useful life (in years)
Office Building	60
Factory Building	30
Plant and machinery	15
Electrical installations and equipment	10
Furniture and fittings	10
Vehicles	8/10
Office equipment	5
Computers	3

Leasehold land and leasehold improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

The subsidiary/ associate entity upto March 31, 2023 had used written down value (WDV) method as per the estimated useful life of the property, plant and equipment for depreciation charge. In the current financial year 2023-24, the subsidiary entity has changed the depreciation method from WDV to straight line method (SLM) as per the estimated useful life of the Parent Company as mentioned above. The aforesaid change in depreciation method is recognised prospectively in accordance with IND AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.

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

b. Capital work in progress

Capital work in progress is stated at cost, net of impairment loss, if any. Cost includes items directly attributable to the construction or acquisition of the item of property, plant and equipment, and, for qualifying assets, borrowing costs capitalized in accordance with the Group accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

c. Intangible Assets

Under the previous GAAP (Indian GAAP), Intangible Assets were carried in the balance sheet at cost net of accumulated depreciation and accumulated impairment losses, if any as at 31 March 2022. The Group has elected to regard those values of intangible assets as deemed cost at the date of the transition to Ind AS, i.e., 1 April 2022.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried /at cost less any accumulated amortization.

Intangible assets with finite lives (i.e. software and licenses) 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 method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software are capitalized and amortised on straight line method over their estimated useful economic life of three years.



d. Leases

Group as a Lessee:

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Group also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Group is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Transition

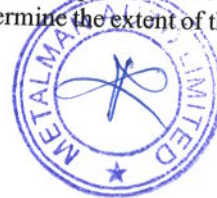
In accordance with Ind AS 101 – “First-time Adoption of Indian Accounting Standards”, the Group has measured lease liability at the date of transition to Ind AS at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of transition to Ind AS. The Group has measured a right-of-use asset at the date of transition to Ind AS at its carrying amount as if Ind AS 116 had been applied since the commencement date of the lease, but discounted using the incremental borrowing rate at the date of transition to Ind AS.

e. Borrowing costs

Borrowings cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing cost directly attributable to the acquisition or construction of qualifying /eligible assets, intended for commercial production are capitalized as part of the cost of such assets. All other borrowing costs are recognized as an expense in the year in which they are incurred. Interest income earned on the temporary investment of surplus funds out of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization. Qualifying assets are assets that necessarily take a substantive period of time to get ready for their use or sale.

f. Impairment of non-financial assets

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



Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

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

g. Inventories

Raw materials, stores and spares and packing materials

At lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on weighted average basis.

Work in progress:

At lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on the basis of stage of completion.

Finished goods and by product:

At lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.

h. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Such revenue is recognised upon the Group performance of its contractual obligations and on satisfying all the following conditions:

- (1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
- (2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
- (3) Such contract contains specific payment terms in relation to the Transfer;
- (4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Group future cash flow;
- (5) The Group is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract with the customer. Revenue is recognised when no significant uncertainty exists regarding the collection of the consideration. The amount recognised as revenue is exclusive of all indirect taxes and net of returns and discounts.



(i) Sales of goods:

Revenue from sale of goods is recognized at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

(ii) Revenue from services is recognised in the accounting period in which the services are rendered.

(iii) Dividend income is recognized when the right to receive payment is established.

(iv) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

(v) The revenue in respect of the export incentives is recognized on post export basis at the rate at which the entitlement accrue.

(vi) Revenue in respect of Insurance and other claims are recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(vii) Share of profit from partnership is recognized when the right to receive payment is established.

i. Foreign currency transactions

The Consolidated Financial Statements are presented in Rs., which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction. At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

j. Taxes on income

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date where the Group operates and generates taxable income.

Minimum Alternative Tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset the said asset is created by way of credit to the statement of profit and loss and included in deferred tax assets. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal income tax during the specified period.

Deferred tax

Deferred tax is recognized for all taxable temporary differences and is calculated based on the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.



Deferred tax is measured at the tax rates that are expected to be applied when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profits will be available against which the assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Current and deferred tax

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

k. Employee benefits

(i.) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

(ii.) Defined benefit plans

Liability in respect of Defined benefit plan is determined at the present value of the amounts payable determined using actuarial valuation techniques performed by an independent actuarial at each balance sheet date using the projected unit credit methods. Re-measurement, comprising actuarial gain and losses, the effects of assets ceiling (if applicable) and the return on plan assets (excluding interest), are reflected immediately in the statement of Financial Position with a charge or credit recognized in other comprehensive income in the period in which they occur. Past Service cost is recognized in the Statement of Profit & Loss in the period of plan amendment.

(iii.) Short-term employee benefits

Liabilities recognised in respect of wages and salaries and other short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service and are expensed as the related services are provided.

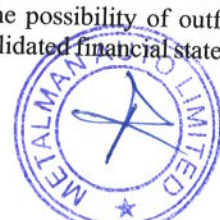
(iv.) Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits such as long-term service awards and compensated absences are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date based on the actuarial valuation using the projected unit credit method carried out at the year-end. Re measurement gain or losses are recognised in the statement of profit and loss in the period in which they arise.

l. Provisions, Contingent liabilities and Contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. 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 recognised as a finance cost.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the consolidated financial statements.



However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

m. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of Holding Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

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

n. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes 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.

o. 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.

(a) Financial assets

Classification

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. Trade receivable that do not contain a significant financing component are measured at transaction price.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions 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 Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 other income in the profit or loss.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI 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.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Profit and Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the Statement of Profit and Loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the Statement of Profit and Loss when the right of payment has been established.

Derecognition

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 Group balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The Group 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 Group has transferred substantially all the risks and rewards of the asset, or
- (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated at FVTPL. The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on historical credit loss experience and adjustments for forward looking information.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.



**(b) Financial liabilities
Classification**

Financial liabilities - Initial recognition and measurement

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 recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

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 at amortised cost (Loans and borrowings)

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

Amortised 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.

(c) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(d) Offsetting of financial instruments

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



p. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability 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 fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value.

The Group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 balance sheet on a recurring basis, the Group 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.

For the purpose of fair value disclosures, the Group 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.

q. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

In the unlikely event that a grant previously recognized is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognized is expensed in the Statement of Profit and Loss except in case of grant related to assets shall be recognized by increasing the carrying amount of the asset and cumulative depreciation that should have been recognized in Statement of Profit and Loss to date in the absence of grant shall be recognized immediately.



2.3 Significant accounting judgements, estimates and assumptions

In the application of the Group accounting policies, which are described as below, the management of the Group are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Group accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements:-

Useful lives of depreciable assets

Management reviews the useful lives of depreciable assets at each reporting date. As at the current period end, management assessed that the useful lives represent the expected utility of the assets to the Group. Further, there is no significant change in the useful lives as compared to previous year.

Defined benefit plans

The cost of the defined benefit plan and other postemployment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Provision and contingent liability

On an ongoing basis, Group reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Contingent losses that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Contingent gain are not recognized until the contingency has been resolved and amounts are received or receivable.

Impairment of financial and non-financial assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based in Group past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. The Group assesses the investment in equity instrument of subsidiary companies carried at cost for impairment testing, by comparing carrying value with recoverable value, adopting DCF model for arriving value in use etc.

Impairment of Non – Financial Assets exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's-length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

2.4 Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



3. Property, plant and equipment

Particulars	Freehold land	Building	Plant and machinery	Furniture and fittings	Vehicles	Office equipment	Computers	Total
Deemed cost								
As at 1 April 2022 (refer note 1 below)	94.30	885.16	1,556.54	24.90	44.26	12.63	10.97	2,628.76
Additions	-	63.74	179.64	1.69	2.46	3.44	12.61	263.58
Additions on account of business combination (refer note 48)	562.50	335.52	951.74	6.12	11.62	3.03	2.07	1,872.60
Disposals	-	(0.05)	(55.33)	(1.04)	(4.17)	(0.14)	(0.17)	(60.90)
As at 31 March 2023	656.80	1,284.37	2,632.59	31.67	54.17	18.96	25.48	4,704.04
Additions	-	183.08	538.38	3.72	54.46	7.42	11.14	798.20
Disposals	-	-	(16.58)	-	(0.26)	(0.01)	(0.13)	(16.98)
Assets held for sales	-	(255.04)	-	-	-	-	-	(255.04)
As at 31 March 2024	656.80	1,212.41	3,154.39	35.39	108.37	26.37	36.49	5,230.22
Depreciation								
As at 1 April 2022 (refer note 1 below)	-	-	-	-	-	-	-	-
Depreciation charge for the year 2022-23	-	32.27	224.17	3.88	7.19	5.02	4.66	277.19
Disposals/ adjustments	-	-	(2.08)	(0.01)	(1.39)	-	-	(3.48)
As at 31 March 2023	-	32.27	222.09	3.87	5.80	5.02	4.66	273.71
Depreciation charge for the year 2023-24	-	40.50	396.96	5.12	11.42	5.71	8.41	468.12
Disposals/ adjustments	-	-	(1.37)	-	(0.08)	-	(0.03)	(1.48)
Assets held for sales	-	(26.37)	-	-	-	-	-	(26.37)
As at 31 March 2024	-	46.40	617.68	8.99	17.14	10.73	13.04	713.98
Net carrying value :								
As at 31 March 2024	656.80	1,166.01	2,536.71	26.40	91.23	15.64	23.45	4,516.24
As at 31 March 2023	656.80	1,252.10	2,410.50	27.80	48.37	13.94	20.82	4,430.33
As at 1 April 2022 (refer note 1 below)	94.30	885.16	1,556.54	24.90	44.26	12.63	10.97	2,628.76

Note 1: Deemed cost of property, plant and equipment

Particulars	Freehold land	Building	Plant and machinery	Furniture and fittings	Vehicles	Office equipment	Computers	Total
Gross carrying amount as per previous GAAP	94.30	1,061.44	2,704.31	49.55	76.24	42.90	42.72	4,071.46
As at 1 April 2022	-	176.28	1,147.77	24.65	31.98	30.27	31.75	1,442.70
Accumulated depreciation as per previous GAAP	94.30	885.16	1,556.54	24.90	44.26	12.63	10.97	2,628.76
As at 1 April 2022	-	176.28	1,147.77	24.65	31.98	30.27	31.75	1,442.70
Net carrying amount (deemed cost) as at 1 April 2022	94.30	885.16	1,556.54	24.90	44.26	12.63	10.97	2,628.76



Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Notes to Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

4. Right of use assets

Particulars	Leasehold land	Leasehold building	Total
Deemed cost			
As at 1 April 2022 (refer note I below)	149.52	46.14	195.66
Additions	-	7.71	7.71
Additions on account of business combination (refer note 48)	416.00	-	416.00
Disposals	-	-	-
As at 31 March 2023	565.52	53.85	619.37
Additions	27.97	25.19	53.16
Disposals	-	-	-
Assets held for sales	(88.78)	-	(88.78)
As at 31 March 2024	504.71	79.04	583.75
Depreciation			
As at 1 April 2022 (refer note I below)	-	13.97	13.97
Depreciation charge for the year 2022-23	1.71	14.28	15.99
Disposals/ adjustments	-	-	-
As at 31 March 2023	1.71	28.25	29.96
Depreciation charge for the year 2023-24	6.66	17.78	24.44
Disposals/ adjustments	-	-	-
Assets held for sales	(1.07)	-	(1.07)
As at 31 March 2024	7.30	46.03	53.33
Net carrying value :			
As at 31 March 2024	497.41	33.01	530.42
As at 31 March 2023	563.81	25.60	589.41
As at 1 April 2022 (refer note I below)	149.52	32.17	181.69

Note I: Deemed cost of Right of use assets

Particulars	Leasehold land	Total
Gross carrying amount as per previous GAAP		
As at 1 April 2022	162.44	162.44
Accumulated depreciation as per previous GAAP		
As at 1 April 2022	(12.92)	(12.92)
Net carrying amount (deemed cost) as at 1 April 2022	149.52	149.52

Notes:

- Leasehold land includes land taken on long term lease from government authorities.
- Leasehold building represents property taken on lease for its corporate office and plant situated at Aurangabad accounted for in accordance with principle of Ind AS 116 'Leases'.



5 Capital work-in-progress (CWIP)

Particulars	Amount
As at 1 April 2022	25.00
Additions	58.03
Additions on account of business combination (refer note 48)	130.09
Disposals/ capitalisations	(126.27)
As at 31 March 2023	86.85
Additions	166.75
Disposals/ capitalisations	(145.98)
As at 31 March 2024	107.62

Capital Work in progress ageing schedule

As at 31 March 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	53.54	49.03	-	-	102.57
Projects temporarily suspended	-	5.05	-	-	5.05
Total	53.54	54.08	-	-	107.62

As at 31 March 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	80.99	0.01	0.34	5.51	86.85
Total	80.99	0.01	0.34	5.51	86.85

As at 1 April 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	17.89	2.07	5.04	-	25.00
Total	17.89	2.07	5.04	-	25.00

Note 1:

There are no projects as on the reporting period which have materially exceeded cost as compared to its original plan or where completion is overdue.

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Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
Notes to Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

6. Intangible assets

Particulars	Software	Total
Deemed cost		
As at 1 April 2022 (refer note I below)	1.95	1.95
Additions	27.76	27.76
Disposals	(0.04)	(0.04)
As at 31 March 2023	29.67	29.67
Additions	4.44	4.44
Disposals	-	-
As at 31 March 2024	34.11	34.11
Amortisation		
As at 1 April 2022 (refer note I below)	-	-
Amortisation charge for the year 2022-23	2.29	2.29
Disposals/ adjustments	(0.04)	(0.04)
As at 31 March 2023	2.25	2.25
Amortisation charge for the year 2023-24	6.48	6.48
Disposals/ adjustments	-	-
As at 31 March 2024	8.73	8.73
Net carrying value :		
As at 31 March 2024	25.38	25.38
As at 31 March 2023	27.42	27.42
As at 1 April 2022 (refer note I below)	1.95	1.95

Note I: Deemed cost of Intangible assets

Particulars	Software	Total
Gross carrying amount as per previous GAAP		
As at 1 April 2022	24.91	24.91
Accumulated depreciation as per previous GAAP		
As at 1 April 2022	(22.96)	(22.96)
Net carrying amount (deemed cost) as at 1 April 2022	1.95	1.95

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Metalman Auto Limited
(Formerly as Metalman Auto Private Limited)
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Notes to Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

7. Investments

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Investments measured at cost			
Unquoted investment in the capital of partnership firm			
Investment in associate			
M/s Metalman Micro Turners *	-	-	456.58
Total investments	-	-	456.58
Aggregate value of unquoted investments	-	-	456.58

* Upto March 28, 2023, the Company held 50% share in profit in the partnership firm namely "Metalman Micro Turners" and classified the same as an associate. Effective March 29, 2023, the Company acquired additional capital of 48% at a consideration of Rs. 997.80 million and consequently the Partnership Firm has become the subsidiary of the Holding Company.

8. Other financial assets

(Unsecured, considered good unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Non-current			
At amortised cost			
Security deposits, considered good	42.82	49.53	39.09
Bank deposits *	2.57	2.55	0.25
Advance to employees	-	0.05	0.47
	45.39	52.13	39.81
Current			
Interest receivables	0.59	0.97	0.26
Subsidy receivable	156.27	168.12	140.59
Other receivable	14.94	64.72	62.23
Advance to employees	-	1.34	-
Derivative instruments at fair value through profit or loss:			
Foreign exchange forward contracts receivables	2.12	-	3.91
	173.92	235.15	206.99

* Bank deposits

Bank deposits include Rs. 2.50 million margin money for bank guarantee (31 March 2023 : Rs. 2.00 million and 1 April 2022 : Rs. 0.25 million).

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9. Current tax assets

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Advance tax	27.43	-	-
	27.43	-	-

10. Other non-current assets
(Unsecured, considered good unless otherwise stated)

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Capital advances	173.04	149.60	19.88
Prepaid expenses	1.58	1.92	1.55
Subsidy receivable *	78.30	-	-
Paid under protest**	1.69	-	-
	254.61	151.52	21.43

* Pending compliance with the annual conditions to accrue and receive the subsidy, the entire eligible subsidy amount is recognised and disclosed as a non-current assets with corresponding credit in the Deferred subsidy income. Post compliance of conditions to receive the subsidy, the applicable amount is recognised as income in the statement of profit and loss and the corresponding recoverable is reclassified as financial assets.

**Represents:

- Rs. 1.68 million (31 March 2023: Rs. Nil, 1 April 2022: Rs. Nil) paid under protest on account of order received from Assistant Commissioner of CGST, Aurangabad.

- Rs. 0.01 million (31 March 2023: Rs. Nil, 1 April 2022: Rs. Nil) paid under protest on account of order received from CGST Proper officer, Delhi.

11. Assets classified as held for sales

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Assets classified as held for sales	333.37	-	-
	333.37	-	-

Note:

During the current year, the Board of Directors of Holding Company has approved to sell Chennai plant leasehold land and building and a residential flat of net book value of Rs. 245.66 million (including security deposit amounting to Rs. 16.99 million) and Rs. 87.71 million respectively for a consideration of Rs. 267.50 million and Rs. 120.00 million respectively. Accordingly, these assets are classified as assets held for sale recognised and measured in accordance with Ind-AS 105 "Non Current Assets Held For Sale and Discontinued Operations".

12. Inventories #

(at lower of cost or net realisable value)

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Raw materials *	588.65	554.87	481.70
Work in progress	145.61	129.79	47.61
Finished goods**	186.48	172.87	156.72
Consumables and stores and spares including packing materials	78.18	34.02	32.50
Dies and Tools	56.51	59.22	24.84
Total	1,055.43	950.77	743.37

Hypothecated as charge against short term-borrowings. refer note 20.

* Raw material include stock in transit amounting to Rs. 13.38 million (31 March 2023: Rs. 8.60 million, 1 April 2022: Rs. 13.82 million).

** Finished goods include stock in transit amounting to Rs. 96.79 million (31 March 2023: Rs. 63.66 million, 1 April 2022: Rs. 116.37 million).

13. Trade receivables

At amortised cost

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Unsecured, considered good	1,854.57	2,032.68	1,313.79
Unsecured, considered doubtful - Trade Receivables	-	-	-
Trade receivables, which have significant increase in credit risk	-	-	-
Trade receivables: Credit impaired	-	-	-
Less: allowance for credit loss	(23.39)	(68.26)	(61.12)
Total	1,831.18	1,964.42	1,252.67

Refer note 38 for related party balances.



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The trade receivables have been recorded at their respective carrying amounts and are not considered to be materially different from their fair values as these are expected to realise within a shorter period from the date of balance sheet. All of the Group's trade receivables have been assessed for indications of impairment.

The allowance for doubtful accounts as of 31 March 2024, 31 March 2023 and 1 April 2022 and changes in the allowance for doubtful accounts for the year ended as of that are as follows:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Opening balance	68.26	61.12	56.39
Add: Provision made/ (reversed) on doubtful trade receivables	0.53	7.14	4.73
Less: Write offs, net of recoveries	(45.40)	-	-
Closing balance	23.39	68.26	61.12

Trade receivables ageing schedules

Particulars	Outstanding as at 31 March 2024 from the due date of collection						Total
	Not due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- considered good	1,470.02	336.92	22.86	12.33	5.91	6.53	1,854.57
- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed+ non-disputed)	-	-	-	-	-	-	(23.39)
Total	2,940.04	673.84	45.72	24.66	11.82	13.06	1,831.18

Particulars	Outstanding as at 31 March 2023 from the due date of collection						Total
	Not due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- considered good	1,303.92	600.66	32.31	25.58	67.98	2.23	2,032.68
- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed+ non-disputed)	-	-	-	-	-	-	(68.26)
Total	1,303.92	600.66	32.31	25.58	67.98	2.23	1,964.42

Particulars	Outstanding as at 1 April 2022 from the due date of collection						Total
	Not due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed							
- considered good	1,067.81	178.69	46.78	13.73	4.98	1.80	1,313.79
- which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed+ non-disputed)	-	-	-	-	-	-	(61.12)
Total	1,067.81	178.69	46.78	13.73	4.98	1.80	1,252.67



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14. Cash and cash equivalents :

At amortised cost

Balances with banks

In current accounts
Cash on hand
Digital wallet

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
31.69	175.32	1.99
2.21	1.86	1.56
0.06	0.07	-
33.96	177.25	3.55

For the purpose of statement of cash flows, cash and cash equivalents comprises balances with banks and cash on hand and balance in digital wallet as specified above.

15. Bank balances other than cash and cash equivalents

At amortised cost

Bank deposits with maturity for 3 to 12 months
CSR contribution account with HDFC Bank *

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
9.30	8.79	0.78
-	3.13	5.82
9.30	11.92	6.60

* Earmarked balance with bank.

16. Loans- current

(Unsecured, considered good unless otherwise stated)

Loan to staff

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
2.15	0.86	-
2.15	0.86	-

Loans are non-derivative financial assets which generate a fixed or variable interest income for the Holding Company. The carrying value may be affected by changes in the credit risk of the counterparties.

17. Other current assets

(Unsecured, considered good unless otherwise stated)

Advance to suppliers
Staff advance
Prepaid expenses
Balances with government authorities
Prepaid gratuity
Sundry receivable

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
50.44	80.54	105.95
3.94	4.42	1.16
22.14	16.10	8.57
22.32	89.81	8.72
8.81	7.32	-
0.10	0.05	-
107.75	198.24	124.40



18. Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	Number of shares	(Rs. In million)	Number of shares	(Rs. In million)	Number of shares	(Rs. In million)
a) Authorised						
Equity shares of Rs. 10/- each	5,000,000	50.00	5,000,000	50.00	5,000,000	50.00
Total	5,000,000	50.00	5,000,000	50.00	5,000,000	50.00
b) Issued, subscribed and fully paid up shares						
Equity shares of Rs. 10/- each	2,719,174	27.19	2,719,174	27.19	2,719,174	27.19
Total	2,719,174	27.19	2,719,174	27.19	2,719,174	27.19

Note: Upto to the year ended March 31, 2023, the authorised capital of the Holding Company was bifurcated and disclosed into equity share capital of Rs. 30 million and preference share capital of Rs. 20 million. However, the authorised preference share capital was already reclassified into authorised equity share capital in the financial year 2013-14. The aforesaid inadvertent error has been corrected in these consolidated financial statements.

a. **Reconciliation of the number of shares and the amount outstanding at the beginning and at the end of the reporting year**

Particulars	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	Number of shares	(Rs. in million)	Number of shares	(Rs. in million)	Number of shares	(Rs. in million)
Equity Shares						
At the beginning of the reporting year	2,719,174	27.19	2,719,174	27.19	2,719,174	27.19
Outstanding at the end of the reporting year	2,719,174	27.19	2,719,174	27.19	2,719,174	27.19

b. **Terms/rights attached to equity shares**

The Holding Company presently has one class of equity shares having par value of Rs.10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors 'if any' is subject to the approval of the shareholders in the Annual General Meeting and then the shareholders are entitled for the dividend.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any part of the remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. **No class of shares have been issued as bonus shares or for consideration other than cash by the Holding Company during the five years immediately preceding the current year end.**

d. **Detail of equity shareholders holding more than 5% aggregate equity shares in the Holding Company**

Particulars	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	Number of shares held	% shareholding	Number of shares held	% shareholding	Number of shares held	% shareholding
Name of the shareholder						
Equity shares						
i) Nishant Jairath	550,633	20.25%	550,633	20.25%	550,633	20.25%
ii) Sachin Bembi	550,633	20.25%	550,633	20.25%	550,633	20.25%
iii) Navneet Jairath	407,876	15.00%	407,876	15.00%	407,876	15.00%
iv) Bikramjit Bembi	407,876	15.00%	407,876	15.00%	407,876	15.00%
v) Sonia Bembi	258,321	9.50%	258,321	9.50%	258,321	9.50%
vi) Nisha Jairath	258,321	9.50%	258,321	9.50%	258,321	9.50%
vii) Savita Bembi	142,757	5.25%	142,757	5.25%	142,757	5.25%
viii) Navita Jairath	142,757	5.25%	142,757	5.25%	142,757	5.25%
Total	2,719,174	100.00%	2,719,174	100.00%	2,719,174	100.00%

e. **The Board has not proposed any dividend during the year ended 31 March 2024 for equity share holders.**



f. Shareholding of promoters and promoters group

Sr No	Particulars	As at 31 March 2024			As at 31 March 2023			As at 1 April 2022	
		Number of Equity shares	% of Total Shares	% change during the year	Number of Equity shares	% of Total Shares	% change during the year	Number of Equity shares	% of Total Shares
Promoter									
i)	Nishant Jairath	550,633	20.25%	0.00%	550,633	20.25%	0.00%	550,633	20.250%
ii)	Sachin Bembi	550,633	20.25%	0.00%	550,633	20.25%	0.00%	550,633	20.250%
iii)	Navneet Jairath	407,876	15.00%	0.00%	407,876	15.00%	0.00%	407,876	15.000%
iv)	Bikramjit Bembi	407,876	15.00%	0.00%	407,876	15.00%	0.00%	407,876	15.000%
Promoter group									
v)	Sonia Bembi	258,321	9.50%	0.00%	258,321	9.50%	0.00%	258,321	9.500%
vi)	Nisha Jairath	258,321	9.50%	0.00%	258,321	9.50%	0.00%	258,321	9.500%
vii)	Savita Bembi	142,757	5.25%	0.00%	142,757	5.25%	0.00%	142,757	5.250%
viii)	Navita Jairath	142,757	5.25%	0.00%	142,757	5.25%	0.00%	142,757	5.250%
	Total	2,719,174	100.00%		2,719,174	100.00%		2,719,174	100.00%

- g. Subsequent to the year end, the members of the Holding Company in its Extraordinary General Meeting (EGM) dated April 24, 2024 has approved the increase in the authorised equity share capital of the Holding Company to Rs. 200 million from the existing authorised share capital of Rs. 50 million.
- h. Subsequent to the year end, the members of the Holding Company in its Extraordinary General Meeting (EGM) dated April 24, 2024 has approved the split of its equity share having face value of Rs. 10 each into a revised face value of Rs. 2 each. Further, in the aforesaid mentioned EGM, the members have also approved for issuance of bonus shares in the ratio of 5:1.
- i. Consequent to the aforesaid point no. (g) and (h), the issued, subscribed and paid up equity share capital of the Holding Company has revised to 8,15,75,220 equity shares from its existing equity share of 27,19,174 .



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19 a. Other Equity

	<u>Amount</u>
a) Securities Premium	
As at 1 April 2022	23.75
Addition made during the year	-
As at 31 March 2023	<u>23.75</u>
Addition made during the year	-
As at 31 March 2024	<u><u>23.75</u></u>
b) General Reserve	
As at 1 April 2022	38.32
Addition made during the year	-
As at 31 March 2023	<u>38.32</u>
Addition made during the year	-
As at 31 March 2024	<u><u>38.32</u></u>
c) Retained Earnings	
As at 1 April 2022	2,095.30
Profit for the year	631.62
Other comprehensive income for the year	2.47
As at 31 March 2023	<u>2,729.39</u>
Profit for the year	497.81
Other comprehensive income for the year	1.26
As at 31 March 2024	<u><u>3,228.46</u></u>
Total other equity	
As at 31 March 2024	3,290.53
As at 31 March 2023	2,791.46
As at 1 April 2022	2,157.37

19 b. Non-controlling Interest

As at 1 April 2022	-
Addition on account of Business combination (refer note 48)	35.06
Profit for the year	(0.51)
Other comprehensive income for the year	-
As at 31 March 2023	<u>34.55</u>
Profit for the year	2.23
As at 31 March 2024	<u><u>36.78</u></u>

Nature and purpose of reserves:

Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the Act).

Retained Earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

General reserves

Free reserves to be utilised as per the provisions of the Act.

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Metalman Auto Limited*(Formerly as Metalman Auto Private Limited)*

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Notes to Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in Rupees million, unless otherwise stated)

20. Borrowings

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
At amortised cost			
Non-current borrowings			
Secured			
Term loans (refer note (a))			
Term Loan from Banks	2,006.76	1,835.50	1,239.44
Term Loan from NBFCs	350.00	666.00	465.00
Vehicle loan (refer note (a))			
Vehicle Loan from Bank	53.33	18.53	21.41
Unsecured			
Term loans			
from related parties	-	71.01	65.81
Less: Current maturities of long term borrowings	(549.41)	(681.26)	(360.01)
	1,860.68	1,909.78	1,431.65
Current Borrowings			
Secured			
Working capital loans from banks (refer note (b))			
Loan repayable on demand from Banks	717.06	515.41	62.73
Add: Current maturities of long-term debt	549.41	681.26	360.01
	1,266.47	1,196.67	422.74

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METALMAN AUTO LIMITED

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Notes to Consolidated Financial Statements for the Year ended March 31, 2024

(Amount in Rupees lacs, unless otherwise stated)

20. Borrowings (contd.)

Terms of Non-current borrowings (including respective current maturities)

Following are the details of certain pertinent terms and conditions of the borrowings for the year ended 31 March 2024 disclosing undiscounted outstanding balances:

a Details of security for term loans

For term loans obtained by Holding Company

- i Term Loan amounting to Rs. 1,351.58 million (31 March 2023: Rs. 1221.93 million, 1 April 2022: Rs. 891.22 million) from HDFC Bank carrying interest @8.45% - 9.30% per annum, repayable in monthly and quarterly installments is secured by way of (1) first pari passu charge over the industrial property situated at industrial area 3, plot no 116 Pithampur, Dhar, Madhya Pradesh and (2) property bearing Sy.477, 478, 476, 473, 475/1 Mathigiri village kalamangalam krishnagiri Hosur and (3) first pari passu charge on the entire current assets including stock and receivables of the Holding Company both present and future.
- ii Term Loan amounting to Rs. 228.32 million (31 March 2023: Rs. 256.51 million, 1 April 2022: Rs. 280.68 million) from Axis Bank carrying interest @9.30% per annum, repayable in quarterly installments is secured by way of (1) equitable mortgage on land and building of Hosur and (2) property located at industrial area 3 pithampur Madhya Pradesh. (3) first pari passu charge, by way of hypothecation of all movable fixed assets of the Holding Company except Chennai unit. Any additional collateral security offered by borrower to other term lenders (in case of pari passu charge) shall also be available to bank.
- iii Term Loan amounting to Rs. 350.00 million (31 March 2023: Rs. 666.00 million, 1 April 2022: Rs. 465.00 million) from Bajaj Finserv Ltd (NBFC) carrying interest @9.65% per annum, repayable in quarterly installments is secured by way of (1) exclusive charge over land and building of Holding Company's unit situated at B12 MIDC, waluj Aurangabad. (2) exclusive charge over residential property situated at Ambience Island, Gurgaon and by way of (3) first pari passu on entire movable fixed assets of the Holding Company.
- iv Term Loan amounting to Rs. Nil (31 March 2023: Rs. Nil, 1 April 2022: Rs. 67.54 million) from IndusInd Bank carrying floating interest @CD plus 2.58% per annum, repayable in quarterly installments is secured by way of (1) first pari passu charge with other term lender except Bajaj Finance Limited by way of hypothecation of all the movable fixed assets of the Holding Company excluding Chennai unit. (2) exclusive charge by way of mortgage on land and building of Pithampur plant II situated at plot no. 503-503 industrial area 3, Pithampur, Dhar, Madhya Pradesh.
- v Home loan from HDFC Bank amounting to Rs. 146.86 million (31 March 2023: Rs. Nil, 1 April 2022: Rs. Nil) carrying interest @8.30% per annum, repayable in monthly installments is secured by way of exclusive charge over flat 1102, floor 11, situated at Ambience Island, NH-8, Gurgaon, 122001.
- vi Vehicle loans carry interest @7.10%-10.30% per annum and is repayable in equated monthly installments (including interest).

For term loans obtained by Subsidiary

- vii Term Loan amounting to Rs. 280.00 million (31 March 2023: Rs. 357.06 million) from HDFC Bank carrying interest @8.70% - 9.65% per annum, repayable in monthly and quarterly installments is secured by way of firstly secured by government guarantee under Emergency Credit Line Guarantee scheme (ECLGS) and secondly on Village Kapriwas, Akera Road, Dharuhera property, movable fixed assets and current assets.
- viii Vehicle loans carry interest @8.60%-8.75% per annum and is repayable in equated monthly installments (including interest).

b Terms and details of security of Short-term borrowings

For Short-term borrowings obtained by Holding Company

Secured by way of hypothecation of whole of the current assets of the Holding Company namely stocks of Raw materials, Stock in process, Finished Goods, Stores and spares not relating to Plant & Machinery (consumable stores & spares), Bills Receivable, Book Debts and all other movables at factory premises and godowns or elsewhere in India or in transit together with second charge on the entire Land and Building of the Holding Company's manufacturing units along with Plant and machinery, other Equipments, both present and future, situated there, on pari-passu basis with multiple Banks.

For Short-term borrowings obtained by Subsidiary

Secured by way of hypothecation of whole of the current assets of the firm namely stocks of raw materials, stock in process, finished goods, stores and spares not relating to plant & machinery (consumable stores & spares), bills receivable, book debts and all other movables at factory premises and godowns or elsewhere in India or in transit together with second charge on the entire Land and building of the Firm's manufacturing units along with plant and machinery, other equipments, both present and future, situated there, on pari-passu basis with multiple Banks.

Terms of repayment

Working capital borrowing from HDFC Bank Limited is repayable on demand and carries interest @ 7.50% and @9.00 % per annum by Holding Company and subsidiary respectively.



21. Lease liabilities

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Lease liabilities	23.60	20.35	20.76	15.32
	23.60	20.35	20.76	15.32

13.11

22. Provisions

	Non-current		Current	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits	33.76	20.15	0.54	-
Provision for gratuity (refer note 37)	13.99	7.98	10.99	9.57
Provision for compensated absences				4.12
	47.75	28.13	11.53	9.57
				4.12

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23. Income Taxes

The major components of income tax expense are as under:

A. Statement of profit and loss:

(i) Profit and loss section

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax	137.52	109.08
Taxation related to earlier years	(34.99)	(0.12)
Deferred tax charge/ (credit)	(61.22)	2.52
Income tax expense reported in the statement of profit and loss	41.31	111.48

(ii) Other comprehensive income (OCI)

	Year ended 31 March 2024	Year ended 31 March 2023
Deferred tax (charge)/ credit on remeasurements of defined benefit plans	(0.47)	(1.24)
Income tax charge /(credit) to OCI	(0.47)	(1.24)

B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	Year ended 31 March 2024	Year ended 31 March 2023
Accounting profit before income tax	541.35	715.19
At India's statutory income tax rate of 25.168% (31 March 2023: 34.944%)	136.25	249.92
Adjustments in respect of current income tax due to:		
Income tax @ difference rate	16.95	-
Expenses not deductible for tax purposes	1.72	14.75
Tax impact of additional deductions allowable under Income Tax Act	-	(4.88)
Taxation related to earlier years	-	(0.12)
Deferred tax liability not created on remeasurement of previously held interest	-	(137.12)
Impact of change in tax rate *	(92.19)	-
Others	(21.42)	(11.07)
Income tax expense reported in the statement of profit and loss	41.31	111.48

* The Holding Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 beginning current financial year 2023-24. Accordingly, the Holding Company has recognised Provision for Income tax for the year ended March 31, 2024 and re-measured its deferred tax assets/liabilities basis the rate prescribed in the said Section. The impact of this change amounting to Rs. 92.19 million towards deferred tax benefit has been recognised during the year ended March 31, 2024.

C. Deferred tax

Deferred tax relates to the following:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
<i>Deferred tax assets on:</i>			
-Expenses allowable on payment basis*	15.80	15.16	11.95
-Accounting of government grant as per Ind AS 20	(33.06)	(64.58)	(41.88)
- Provision for Expected credit loss on trade receivables	5.89	23.38	20.75
-Others	2.54	3.71	3.89
<i>Deferred tax liabilities on:</i>			
- differences in carrying value of property, plant and equipment and intangible	(593.55)	(663.19)	(338.81)
-Recognition of deferred payables on amortised cost method	-	22.39	41.16
-MAT credit entitlement	-	-	-
Net deferred tax assets/ (liabilities)	(602.38)	(663.13)	(302.94)

*Includes Income tax on remeasurement of defined benefit plans (OCI).

Reconciliation of deferred tax expense:

Opening balance	(663.13)	(302.94)
Deferred tax charge/ (credit) in statement of profit and loss (including OCI)	60.75	(3.76)
Impact of business combination	-	(356.43)
Closing balance	(602.38)	(663.13)



24. Trade payables

At amortised cost

Trade payables

- total outstanding dues of micro and small enterprises;
- total outstanding dues of creditors other than micro and small enterprises*

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
- total outstanding dues of micro and small enterprises;	129.39	106.04	28.69
- total outstanding dues of creditors other than micro and small enterprises*	1,299.70	1,624.35	996.09
Total	1,429.09	1,730.39	1,024.78

* Includes payable to Related party (refer note 38)

Trade payables ageing schedule

Particulars	Outstanding as on 31 March 2024 from due date of payment					Total
	Not due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	113.62	15.24	0.53	-	-	129.39
(ii) Others	1,035.10	242.65	3.24	4.14	14.58	1,299.70
(iii) Disputed dues of MSME	-	-	-	-	-	-
(iv) Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	1,148.72	257.89	3.77	4.14	14.58	1,429.09

Particulars	Outstanding as on 31 March 2023 from due date of payment					Total
	Not due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	75.91	30.11	0.02	-	-	106.04
(ii) Others	1,370.27	224.18	9.01	7.83	13.06	1,624.35
(iii) Disputed dues of MSME	-	-	-	-	-	-
(iv) Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	1,446.18	254.29	9.03	7.83	13.06	1,730.39

Particulars	Outstanding as on 1 April 2022 from due date of payment					Total
	Not due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	
(i) MSME	26.76	1.93	-	-	-	28.69
(ii) Others	880.79	108.11	3.85	1.06	2.28	996.09
(iii) Disputed dues of MSME	-	-	-	-	-	-
(iv) Disputed dues of creditors other than MSME	-	-	-	-	-	-
Total	907.55	110.04	3.85	1.06	2.28	1,024.78

25. Other Financial Liabilities

At amortised cost

- Interest accrued but not due on borrowings
- Employee payables
- Amount payable for property, plant and equipment
- Other payable to related parties
- Other payable

	Current		
	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Interest accrued but not due on borrowings	15.10	14.15	7.02
Employee payables	82.23	70.89	42.15
Amount payable for property, plant and equipment	50.75	80.44	63.97
Other payable to related parties	-	0.92	1.78
Other payable	125.08	-	-
Derivative instruments at fair value through profit or loss:			
Foreign exchange forward contracts payable	-	7.35	-
Total	273.16	173.75	114.92

26. Other liabilities

- Advance from customers (contract liability)
- Statutory dues payable
- Deferred grant liability
- Advance received related to assets classified as held for

	Current		
	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Advance from customers (contract liability)	63.25	142.51	55.40
Statutory dues payable	33.74	122.23	32.66
Deferred grant liability	92.14	17.29	20.74
Advance received related to assets classified as held for	155.00	-	-
Total	344.13	282.03	108.80



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27. Current tax liabilities (net)

Income tax provision (net of payments)

As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
-	173.85	27.93
-	173.85	27.93

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28. Revenue from operations

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from contracts with customers		
Sale of products	14,177.14	9,745.34
Sale of services	612.71	516.10
Other operating revenue:		
- Export incentives	14.03	14.50
'- Revenue from solar power generation	11.21	8.49
- Scrap sales	260.88	219.48
	15,075.97	10,503.91

Details of revenue from contracts with customers:

	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from contract with customers		
Goods transferred at a point in time		
Sale of automotive parts	14,177.14	9,745.34
Sale of services at a period of time	612.71	516.10
	14,789.85	10,261.44

Reconciliation of Revenue from sale of products with the contracted price

	Year ended 31 March 2024	Year ended 31 March 2023
Contracted Price	14,189.59	9,753.47
Less: Trade discounts, volume rebates, etc.	(12.45)	(8.13)
Sale of products	14,177.14	9,745.34

29. Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income		
- from banks	0.95	0.68
- from others	1.00	0.38
- on financial assets measured at amortised cost	0.22	0.29
Re-measurement of existing equity interest *	-	392.41
Gain on forward contract	2.12	3.09
Net foreign exchange gain	9.22	0.45
Rental income	-	1.19
Subsidy received **	123.75	10.79
Excess provision written back	3.56	1.74
Other income	9.58	12.00
	150.40	423.02

* Represents remeasurement to fair value of existing equity interest in acquiree in business combination (refer note 48)

** During the financial year 2023-24, the group has recognised subsidy income of Rs. 123.75 million under Maharashtra Industrial Promotion Subsidy Policy- 2013 and Madhya Pradesh Investment Promotion Scheme-2014 which includes Rs. 69.90 million pertaining to the period i.e. April 1, 2020 to March 31, 2023. The subsidy has been recognised as per the eligibility certificate dated May 17, 2023 and June 28, 2023 received by the Holding Company in the financial year 2023-24 from the Directorate of Industries of the Government of Maharashtra and from Directorate of MP Industrial Development Corporation Limited. The Holding Company has filed claims of Rs. 69.90 million with the authorities. The management expects to receive the subsidy in the due course.



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30. Cost of materials consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Raw materials at the beginning of the year	554.87	481.70
Addition on account of business combination	-	104.11
Add: Purchases	10,909.45	7,835.53
Less: Discount received	(7.48)	(5.98)
Less: Raw material at the end of the year	(588.65)	(554.87)
	10,868.19	7,860.49

30. Cost of materials consumed (contd.)

Breakup of raw material consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Bought out parts and assorted others	5,597.84	4,471.44
Sheet	2,946.26	1,973.44
Steel tubes	1,537.76	917.18
MS Round	49.38	25.80
Welding Material	284.95	162.06
Chemicals	452.00	310.57
	10,868.19	7,860.49

31. Changes in inventories of finished goods and work-in-progress

	Year ended 31 March 2024	Year ended 31 March 2023
<u>Inventories at the beginning of the year</u>		
Work-in-progress	129.79	47.61
Addition on account of business combination	-	35.45
Finished goods	172.87	156.72
Addition on account of business combination	-	24.53
Total inventories at the beginning of the year	302.66	264.31
<u>Inventories at the end of the year</u>		
Work-in-progress	(145.61)	(129.79)
Finished goods	(186.48)	(172.87)
Total inventories at the end of the year	(332.09)	(302.66)
Changes in inventories of finished goods and work-in-progress	(29.43)	(38.35)

32. Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	694.68	472.99
Contribution to provident and other funds (refer note 37)	39.92	27.73
Gratuity expense (refer note 37)	20.36	10.46
Staff welfare expenses	39.31	30.72
	794.27	541.90

33. Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense		
- Interest on borrowings	270.04	133.37
- Interest on lease liabilities	3.53	3.29
Other borrowing costs	3.24	3.70
	276.81	140.36



Metalman Auto Limited*(Formerly as Metalman Auto Private Limited)***(CIN: U34103DL1986PLC305213)****Notes to Consolidated Financial Statements for the Year ended March 31, 2024****(Amount in Rupees million, unless otherwise stated)****34. Depreciation and amortisation expense**

Depreciation of Property, plant and equipment (refer note 3)
Depreciation of Right of use assets (refer note 4)
Amortisation of Intangible assets (refer note 6)

Year ended 31 March 2024	Year ended 31 March 2023
468.12	277.19
24.44	15.99
6.48	2.29
499.04	295.47

35. Other expenses

Stores, spares and tools consumed
Power and fuel
Freight and cartage
Rent
Rates and taxes
Insurance charges
Repairs and maintenance
- Plant and machinery
- Building
- Others
Travelling and conveyance
Professional fees and charges
Payment to auditors
Effect of re-constitution of firm
Contribution towards corporate social responsibility
Allowance for doubtful debts
Balance written off
Net loss on sale and discard of property, plant and equipment
Labour charges
Donation and charity
Miscellaneous expenses

Year ended 31 March 2024	Year ended 31 March 2023
284.46	244.77
414.23	243.92
152.32	125.85
8.13	0.60
9.37	19.93
21.54	15.91
124.98	58.30
14.06	11.20
27.19	29.09
33.83	28.57
44.12	20.02
2.65	0.81
-	32.11
5.35	2.58
0.53	7.14
-	3.06
3.88	14.19
1,017.16	504.03
0.04	0.03
112.30	49.76
2,276.14	1,411.87



36. Earnings Per Equity Share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Holding Company by the weighted average number of Equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the Holding Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
(a) Net profit after tax attributable to the owners of the Holding Company (in Rs. million)	497.81	631.62
(b) Calculation of weighted average equity shares of Rs. 2 each		
Weighted average number of equity shares outstanding during the year (Nos)	27,19,174	27,19,174
Split shares subsequent to March 31, 2024 (refer note 18 (h) above)	1,35,95,870	1,35,95,870
Bonus shares issue subsequent to March 31, 2024 (refer note 18 (h) above)	6,79,79,350	6,79,79,350
Weighted average number of equity share for calculating Basic/ diluted EPS (Nos)	8,15,75,220	8,15,75,220
(c) Nominal value of equity shares (in Rs.)	2.00	2.00
(d) Basic/ diluted* earnings per share (in Rs.)	6.10	7.74

* There are no potential dilutive equity shares.

The members of the Company in its Extraordinary General Meeting (EGM) dated April 24, 2024 has approved the split of its equity share having face value of Rs. 10 each into a revised face value of Rs. 2 each. Further, in the aforesaid mentioned EGM, the members have also approved for issuance of bonus shares in the ratio of 5:1.



37. Employee benefit plans

A. Defined contribution plans

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Provident fund	34.67	24.03
Employee state insurance	5.08	3.64
Welfare fund	0.17	0.06
Total	39.92	27.73

B. Defined benefit plans (unfunded)

In accordance with the Payment of Gratuity Act, 1972, the Group provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year. Future expected payments have been discounted adopting the Projected Unit Credit Method.

Changes in the present value of the defined benefit obligation are, as follows:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Defined benefit obligation at the beginning of the year	104.70	75.76	61.48
Addition on account of business combination	-	19.76	-
Current service cost	19.64	9.54	8.97
Past service cost	-	(0.30)	-
Interest cost	7.54	5.41	4.09
Benefits paid	(4.29)	(2.00)	(1.81)
Actuarial (gain)/ loss on obligations - OCI	(1.49)	(3.48)	3.03
Defined benefit obligation at the end of the year	126.10	104.70	75.76

Changes in the fair value of plan assets are, as follows:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Fair value of plan assets at the beginning of the year	91.87	55.39	46.78
Addition on account of business combination	-	27.08	-
Expected Interest Income on plan assets	6.82	4.20	3.34
Contribution by employer	5.93	7.13	7.18
Benefits paid	(4.25)	(2.01)	(1.81)
Actuarial gain/(loss) on plan asset	0.24	0.08	(0.10)
Fair value of plan assets at the end of the year	100.61	91.87	55.39

Reconciliation of fair value of plan assets and defined benefit obligation:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Defined benefit obligation	126.10	104.70	75.76
Fair value of plan assets	100.61	91.87	55.39
Net asset/(liability) recognised in the Balance Sheet	25.49	12.83	20.37
Non-Current Provision (refer note 22)	34.30	20.15	20.37
Other Current assets of subsidiary (refer note 17)	8.81	7.32	-
	25.49	12.83	20.37



37. Employee benefit plans (contd.)

Amount recognised in statement of profit and loss:

	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	19.64	9.54
Past service cost	-	(0.30)
Net Interest expense	0.72	1.21
Amount recognised in statement of profit and loss	20.36	10.45

Amount recognised in Other Comprehensive Income:

	Year ended 31 March 2024	Year ended 31 March 2023
Actuarial (gain) /loss arising from present value obligation	0.77	(2.23)
Actuarial (gain) /loss arising from experience adjustments	(2.27)	(1.25)
Actuarial (gain) /loss arising from plan assets	(0.23)	(0.08)
Amount recognised in Other Comprehensive Income	(1.73)	(3.56)

Gratuity plan assets

The Holding Company has taken Group Gratuity Policy with Life Insurance Corporation of India (LIC). The Plan Assets are maintained by LIC. The detail of Plan Assets has not been furnished by LIC. Therefore information with respect to major categories of plan assets and percentage or amount that each category constitutes of the face value of the total plan assets has not been disclosed.

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Discount rate	7.24%	7.35%	7.24%
Expected rate of return on plan assets	7.35%	6.86%	7.05%
Future salary increases	10.00%	10.00%	10.00%
Attrition Rate (all ages)	15.00%	15.00%	12.00%
Retirement age	58	58	58
Inservice mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

Salary growth rate

The salary growth rate usually consists of at least three components, viz. seniority, regular increments and promotional increase and price inflation.

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 is as shown below:

Gratuity Plan

Assumptions	Sensitivity level	Impact on DBO		
		As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Discount rate	+1.00%	(1.16)	(5.72)	(4.21)
	-1.00%	1.34	6.45	4.72
Future salary increases	+1.00%	1.29	5.84	4.19
	-1.00%	(1.15)	(5.31)	(3.84)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year. Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

The expected maturity analysis of gratuity at undiscounted basis, is as follows:

	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Within 1 year	23.76	19.04	13.02
2 to 5 years	51.21	47.00	33.07
6 to 10 years	44.53	36.87	29.17
More than 10 years	84.71	78.21	53.14
Total expected payments	204.21	181.12	128.40

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 8.65 years.



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38. Related party disclosures

A. List of related parties

(a) Associate

Metalman Micro Turner (upto March 28, 2023)

(b) Entities on which Key Management Personnel (KMP) have significant influence

National Industries
MMT Autocomp
Campbell International
Avid Ventures
Insightful Systems Pvt Ltd
Excelleta Tech Private Limited
Jade Venture

(c) KMPs are managing trustee of Charitable trust

Metalman Charitable Trust

(d) Group Gratuity Trust fund managed by representative of the Company

Metalman Auto Private Limited Employees Group Gratuity cum-life Assurance (Cash accumulation scheme), Pithampur (MP)

(e) Key Managerial Personnel

Navneet Jairath
Bikramjit Bemb
Sachin Bemb
Nishant Jairath
Shrikant Gulabehand Mundada
Satish Kumar Pandey (upto January 15, 2024)
Anoop Kumar Gwal (upto February 2, 2024)
Sushil Kumar Singh (w.e.f. January 15, 2024)
Rajnish Magan (w.e.f. February 23, 2024)
Ajay Kumar Dnbey (w.e.f. June 27, 2024)
Tarun Kumar (w.e.f. June 27, 2024)

Managing Director
Chairman
Whole time Director
Whole time Director
Whole time Director
Whole time Director
Whole time Director
Independent Director
Independent Director
Chief Financial Officer
Company Secretary

(f) Relative of KMP

Navita Jairath
Savita Bemb
Nisha Jairath
Sonia Bemb
Gunjan Jairath
Nitasha Bemb
Reema Chadha

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38. Related party disclosures (contd.)

B. The following transactions were carried out with related parties in the ordinary course of business:-

Nature of transactions	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP	Group gratuity trust fund managed by representative of the Company
Sale of goods					
Metalman Micro Turners					
31 March 2024	-	-	-	-	-
31 March 2023	0.47	-	-	-	-
MMT Autocomp					
31 March 2024	-	159.97	-	-	-
31 March 2023	-	2.16	-	-	-
National Industries					
31 March 2024	-	2.41	-	-	-
31 March 2023	-	1.90	-	-	-
Purchase of goods					
Metalman Micro Turners					
31 March 2024	-	-	-	-	-
31 March 2023	0.07	-	-	-	-
MMT Autocomp					
31 March 2024	-	445.03	-	-	-
31 March 2023	-	21.62	-	-	-
National Industries					
31 March 2024	-	352.61	-	-	-
31 March 2023	-	293.80	-	-	-
Sale of property, plant and equipments					
MMT Autocomp					
31 March 2024	-	0.42	-	-	-
31 March 2023	-	-	-	-	-
Advance received for sale of assets					
Nishant Jairath					
31 March 2024	-	-	1.00	-	-
31 March 2023	-	-	-	-	-
Services received					
National Industries					
31 March 2024	-	-	-	-	-
31 March 2023	-	0.02	-	-	-
Insightful Systems Private Limited					
31 March 2024	-	2.69	-	-	-
31 March 2023	-	0.91	-	-	-
Excelleta Tech Private Limited					
31 March 2024	-	2.69	-	-	-
31 March 2023	-	-	-	-	-
Jade Ventures					
31 March 2024	-	5.38	-	-	-
31 March 2023	-	0.65	-	-	-
Services given					
Metalman Micro Turners					
31 March 2024	-	-	-	-	-
31 March 2023	12.64	-	-	-	-



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Nature of transactions	Associate	Entities on which KMP have significant influence	Key Managerial Personnel ⁶	Relatives of KMP	Group gratuity trust fund managed by representative of the Company
Purchase of capital goods					
National Industries					
31 March 2024	-	0.88	-	-	-
31 March 2023	-	0.22	-	-	-
Campbell International					
31 March 2024	-	0.24	-	-	-
31 March 2023	-	0.57	-	-	-
Insightful Systems Pvt Ltd					
31 March 2024	-	-	-	-	-
31 March 2023	-	0.60	-	-	-
Rent paid					
National Industries					
31 March 2024	-	3.89	-	-	-
31 March 2023	-	3.72	-	-	-
Rent received					
Metalman Microturners					
31 March 2024	-	-	-	-	-
31 March 2023	1.19	-	-	-	-
Reimbursement of expenses					
Metalman Microturners					
31 March 2024	1.37	-	-	-	-
31 March 2023	0.24	-	-	-	-
Campbell International					
31 March 2024	-	0.57	-	-	-
31 March 2023	-	1.14	-	-	-
National Industries					
31 March 2024	-	12.65	-	-	-
31 March 2023	-	8.50	-	-	-
Avid Ventures					
31 March 2024	-	10.42	-	-	-
31 March 2023	-	8.10	-	-	-
Jade Venture					
31 March 2024	-	-	-	-	-
31 March 2023	-	0.17	-	-	-
CSR donation					
Metalman charitable trust					
31 March 2024	-	2.11	-	-	-
31 March 2023	-	-	-	-	-
Contribution towards gratuity plan asset					
31 March 2024	-	-	-	-	2.50
31 March 2023	-	-	-	-	7.13



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Nature of transactions	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP	Group gratuity trust fund managed by representative of the Company
Director remuneration (including reimbursement)*					
Navneet Jairath					
31 March 2024	-	-	13.90	-	-
31 March 2023	-	-	14.00	-	-
Bikramjeet Bembi					
31 March 2024	-	-	13.92	-	-
31 March 2023	-	-	14.06	-	-
Nishant Jairath					
31 March 2024	-	-	10.00	-	-
31 March 2023	-	-	9.96	-	-
Sachin Bembi					
31 March 2024	-	-	9.92	-	-
31 March 2023	-	-	13.59	-	-
Anoop Kumar Gwal					
31 March 2024	-	-	1.53	-	-
31 March 2023	-	-	2.83	-	-
Satish Pandey					
31 March 2024	-	-	2.31	-	-
31 March 2023	-	-	2.56	-	-
Shrikant Gulabchand Mundada					
31 March 2024	-	-	11.69	-	-
31 March 2023	-	-	14.13	-	-
Loan taken during the year					
Navneet Jairath					
31 March 2024	-	-	4.74	-	-
31 March 2023	-	-	5.74	-	-
Nishant Jairath					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	2.17	-	-
Bikramjeet Bembi					
31 March 2024	-	-	3.07	-	-
31 March 2023	-	-	5.35	-	-
Sachin Bembi					
31 March 2024	-	-	3.22	-	-
31 March 2023	-	-	3.85	-	-
Navita Jairath					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.36	-
Gunjan Jairath					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.20	-
Nisha Jairath					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.34	-



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Nature of transactions	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP	Group gratuity trust fund managed by representative of the Company
Savita Bembi					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.01	-
Nitasha Bembi					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.44	-
Sonia Bembi					
31 March 2024	-	-	-	-	-
31 March 2023	-	-	-	0.60	-
Loan repaid during the year					
Navneet Jairath					
31 March 2024	-	-	22.13	-	-
31 March 2023	-	-	-	-	-
Bikramjeet Bembi					
31 March 2024	-	-	13.08	-	-
31 March 2023	-	-	5.00	-	-
Nishant Jairath					
31 March 2024	-	-	3.65	-	-
31 March 2023	-	-	1.50	-	-
Sachin Bembi					
31 March 2024	-	-	7.76	-	-
31 March 2023	-	-	7.36	-	-
Gunjan Jairath					
31 March 2024	-	-	-	3.43	-
31 March 2023	-	-	-	-	-
Nisha Jairath					
31 March 2024	-	-	-	7.37	-
31 March 2023	-	-	-	-	-
Savita Bembi					
31 March 2024	-	-	-	0.11	-
31 March 2023	-	-	-	-	-
Navita Jairath					
31 March 2024	-	-	-	6.12	-
31 March 2023	-	-	-	-	-
Reema Chadha					
31 March 2024	-	-	-	0.70	-
31 March 2023	-	-	-	0.01	-
Nitasha Jairath					
31 March 2024	-	-	-	7.50	-
31 March 2023	-	-	-	-	-
Sonia Bembi					
31 March 2024	-	-	-	10.20	-
31 March 2023	-	-	-	-	-



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Nature of transactions	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP	Group gratuity trust fund managed by representative of the Company
Interest expense					
Navneet Jairath					
31 March 2024	-	-	1.21	-	-
31 March 2023	-	-	0.82	-	-
Nishant Jairath					
31 March 2024	-	-	0.23	-	-
31 March 2023	-	-	0.19	-	-
Bikramjeet Bembi					
31 March 2024	-	-	0.66	-	-
31 March 2023	-	-	0.39	-	-
Sachin Bembi					
31 March 2024	-	-	0.22	-	-
31 March 2023	-	-	0.47	-	-
Navita Jairath					
31 March 2024	-	-	-	0.42	-
31 March 2023	-	-	-	0.40	-
Gunjan Jairath					
31 March 2024	-	-	-	0.24	-
31 March 2023	-	-	-	0.24	-
Nisha Jairath					
31 March 2024	-	-	-	0.51	-
31 March 2023	-	-	-	0.49	-
Savita Bembi					
31 March 2024	-	-	-	0.01	-
31 March 2023	-	-	-	0.01	-
Nitasha Bembi					
31 March 2024	-	-	-	0.52	-
31 March 2023	-	-	-	0.49	-
Sonia Bembi					
31 March 2024	-	-	-	0.71	-
31 March 2023	-	-	-	0.67	-
Reema Chadha					
31 March 2024	-	-	-	0.08	-
31 March 2023	-	-	-	0.08	-
Guarantee provided against vehicle loan in subsidiary - Sachin Bembi					
31 March 2024	-	-	4.84	-	-
31 March 2023	-	-	-	-	-

* Managerial remuneration does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the Company as a whole and individual amount cannot be determined.



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38. Related party disclosures (contd.)

C. Balances receivable from/ payable to related parties:

Nature of balance outstanding and name of related party	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP
Trade receivable				
Metalman Micro Turners				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	-
1 April 2022	0.04	-	-	-
Avid Ventures				
31 March 2024	-	2.55	-	-
31 March 2023	-	-	-	-
1 April 2022	-	-	-	-
Jade Venture				
31 March 2024	-	-	-	-
31 March 2023	-	0.17	-	-
1 April 2022	-	-	-	-
MMT Autocomp				
31 March 2024	-	16.17	-	-
31 March 2023	-	25.59	-	-
1 April 2022	-	-	-	-
Trade payable				
MMT Autocomp				
31 March 2024	-	4.69	-	-
31 March 2023	-	4.15	-	-
1 April 2022	-	5.39	-	-
National Industries				
31 March 2024	-	81.53	-	-
31 March 2023	-	76.57	-	-
1 April 2022	-	80.09	-	-
Campbell International				
31 March 2024	-	0.02	-	-
31 March 2023	-	-	-	-
1 April 2022	-	-	-	-
Insightful Systems Pvt Ltd				
31 March 2024	-	-	-	-
31 March 2023	-	0.55	-	-
1 April 2022	-	-	-	-
Jade Ventures				
31 March 2024	-	1.23	-	-
31 March 2023	-	0.62	-	-
1 April 2022	-	-	-	-
Excelleta Tech Private Limited				
31 March 2024	-	0.48	-	-
31 March 2023	-	-	-	-
1 April 2022	-	-	-	-
Loans outstanding				
Navneet Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	17.40	-
1 April 2022	-	-	11.66	-
Bikramjeet Bembi				
31 March 2024	-	-	-	-
31 March 2023	-	-	10.00	-
1 April 2022	-	-	9.66	-
Nishant Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	3.65	-
1 April 2022	-	-	2.98	-
Sachin Bembi				
31 March 2024	-	-	-	-
31 March 2023	-	-	4.53	-
1 April 2022	-	-	8.04	-



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Nature of balance outstanding and name of related party	Associate	Entities on which KMP have significant influence	Key Managerial Personnel*	Relatives of KMP
Gunjan Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	3.43
1 April 2022	-	-	-	3.23
Navita Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	6.12
1 April 2022	-	-	-	5.75
Nisha Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	7.37
1 April 2022	-	-	-	7.04
Nitasha Bembi				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	7.50
1 April 2022	-	-	-	7.06
Savita Bembi				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	0.11
1 April 2022	-	-	-	0.11
Sonia Bembi				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	10.20
1 April 2022	-	-	-	9.59
Reema Chadha				
31 March 2024	-	-	-	-
31 March 2023	-	-	-	0.70
1 April 2022	-	-	-	0.70
Director Remuneration Payable				
Navneet Jairath				
31 March 2024	-	-	2.20	-
31 March 2023	-	-	0.76	-
01 April 2022	-	-	0.56	-
Bikramjeet Bembi				
31 March 2024	-	-	2.20	-
31 March 2023	-	-	0.53	-
01 April 2022	-	-	0.31	-
Sachin Bembi				
31 March 2024	-	-	0.36	-
31 March 2023	-	-	0.06	-
01 April 2022	-	-	0.72	-
Nishant Jairath				
31 March 2024	-	-	2.14	-
31 March 2023	-	-	-	-
01 April 2022	-	-	0.19	-
Satish Pandey				
31 March 2024	-	-	-	-
31 March 2023	-	-	0.17	-
01 April 2022	-	-	0.12	-
Anoop Kumar Gwal				
31 March 2024	-	-	-	-
31 March 2023	-	-	0.17	-
01 April 2022	-	-	0.17	-
Shrikant Gulabchand Mundada				
31 March 2024	-	-	0.61	-
31 March 2023	-	-	0.55	-
01 April 2022	-	-	0.18	-



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Nature of balance outstanding and name of related party	Associate	Entities on which KMP have significant influence	Key Managerial Personnel ¹	Relatives of KMP
Guarantee provided against vehical loan in subsidiary				
- Sachin Bembhi				
31 March 2024	-	-	4.14	-
31 March 2023	-	-	-	-
01 April 2022	-	-	-	-
-Nishant Jairath				
31 March 2024	-	-	-	-
31 March 2023	-	-	0.90	-
31 March 2022	-	-	2.35	-

D. Terms

All transactions and outstanding balances with these related parties are disclosed at undiscounted values, are priced on at arm's length basis and are to be settled within the credit period allowed as per the policy. All related parties balances are unsecured and considered good.



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39. Segment information

The Group deals in only one business segment of manufacturing and sale of autoparts and ancillary equipments and the chief operating decision maker (CODM) reviews the operations of the Group as a whole, hence there is no reportable segments as per Ind AS 108 "Operating Segments". The management considers that the various goods and services provided by the Group constitutes single business segment, since the risk and rewards from these services are not different from one another. Most of the activities are revolving around this business and accordingly has only one reportable segment.

Entity wide disclosure details as per Ind AS 108 on operating segments are given below-

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Within India	14,441.99	9,850.40
Outside India	633.98	653.51
Total Revenue	15,075.97	10,503.91

There are no material non-current assets domiciled outside India.

Revenue from two customers (31 March 2023 : three) individually accounted for more than 10% of the total revenue.

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40. Leases:

The following is the break-up of current and non-current lease liabilities

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	1 April 2022
Non-current lease liabilities	23.60	20.35	29.55
Current lease liabilities	20.76	15.32	13.11
Total	44.36	35.67	42.66

The following is the movement in lease liabilities during the year:

Particulars	As at	As at	As at
	31 March 2024	31 March 2023	1 April 2022
Balance at the beginning of the year	35.68	42.67	55.64
Additions	25.11	7.52	-
Finance cost accrued during the year	3.53	3.29	3.99
Deletions	-	-	-
Payment of lease liabilities	(19.95)	(17.80)	(16.96)
Balance at the end of the year	44.37	35.68	42.67

The weighted average incremental borrowing rate applied to lease liabilities of group is 8% per annum.

Rental expense recorded for short-term leases was Rs. 8.13 million for the year ended 31 March 2024 (year ended 31 March 2023: Rs. 0.60 million and March 31)

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2024 on an undiscounted basis.

	As at	As at	As at
	31 March 2024	31 March 2023	1 April 2022
Not later than one year	21.17	13.95	16.04
Later than one year and not later than five years	26.49	27.13	30.68
Later than five years	-	-	3.66
	47.66	41.08	50.38

41. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) are Rs. 72.55 million (31 March 2023: Rs. 78.29 million and 1 April 2022: Rs. 32.33 million).

42. Contingent Liabilities

(a)

Contingent Liabilities not provided for in respect of:

(I) Claims not acknowledged as debts

	As at	As at	As at
	31 March 2024	31 March 2023	1 April 2022
(a) PF Act	-	0.10	0.10
(b) Workmen Compensation Act	2.33	2.33	2.33
(c) CGST Act	35.71	0.18	-
(d) Income Tax Act	11.54	-	-
(e) Custom Act	1.08	-	-
(II) Bank guarantee issued in favour of others	3.07	2.57	0.25

Note: The various matters other than bank guarantee are subject to legal proceedings in the ordinary course of business. The legal proceeding when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the group.

(b) There has been a Supreme Court (SC) judgement dated February 28, 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. Pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, was not ascertainable and consequently no effect was given in the books of account.

(c) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has been notified in the Official Gazette on September 29, 2020. The draft rules have been released on November 13, 2020 and suggestions have been invited from stakeholders which are under consideration by the Ministry. The impact of the change will be assessed and accounted in the period in which said rules are notified for implementation.



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43. Dues to Micro and Small Enterprises

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Group is given below:

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
(I) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:			
Principal amount due to micro and small enterprises	129.39	106.04	28.69
Interest due on above	1.52	0.53	0.81
(II) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	1.34	0.81	-
(III) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-
(IV) The amount of interest accrued and remaining unpaid at the end of each accounting year	2.86	1.34	0.81
(V) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-

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44. Fair values measurements

(i) Financial instruments by category

Particulars	As at 31 March 2024		As at 31 March 2023		As at 1 April 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets						
Investments (non-current)	-	-	-	-	-	456.58
Other financial assets (non-current)	-	45.39	-	52.13	-	39.81
Trade receivables	-	1,831.18	-	1,964.42	-	1,252.67
Cash and cash equivalents	-	33.96	-	177.25	-	3.55
Bank balances other than cash and cash equivalent	-	9.30	-	11.92	-	6.60
Loans (current)	-	2.15	-	0.86	-	-
Other financial assets (current)	2.12	171.80	-	235.15	3.91	203.08
Total financial assets	2.12	2,093.78	-	2,441.73	3.91	1,962.29
Financial liabilities						
Borrowings (non-current)	-	1,860.68	-	1,909.78	-	1,431.65
Lease liabilities	-	44.36	-	35.67	-	42.66
Borrowings (current)	-	1,266.47	-	1,196.67	-	422.74
Trade payables (current)	-	1,429.09	-	1,730.39	-	1,024.78
Other financial liabilities (current)	-	273.16	7.35	166.40	-	114.92
Total financial liabilities	-	4,873.76	7.35	5,038.91	-	3,036.75

(ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole.

Level 1 : quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3 : valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31 March 2024:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Security deposits	31-03-2024	42.82	-	-	42.82
Financial liabilities					
Non-current borrowings*	31-03-2024	2,410.09	-	-	2,410.09

There have been no transfers between Level 1 and Level 2 during the year.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 31 March 2023:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Security deposits	31-03-2023	49.53	-	-	49.53
Financial liabilities					
Non-current borrowings*	31-03-2023	2,591.04	-	-	2,591.04

There have been no transfers between Level 1 and Level 2 during the year.



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44. Fair values measurements (Contd.)

Assets and liabilities which are measured at amortised cost for which fair values are disclosed at 1 April 2022:

	Date of valuation	Fair value measurement using			
		Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Security deposits	31-03-2022	39.09	-	-	39.09
Financial assets					
Non-current borrowings*	31-03-2022	1,791.66	-	-	1,791.66

There have been no transfers between Level 1 and Level 2 during the year.

* Includes current maturities of long term borrowings.

Valuation technique used to determine fair value:

- For cash and cash equivalents, trade receivables, loans other financial assets, short term borrowings, trade payables and other current financial liabilities the management assessed that they approximate their carrying amounts largely due to the short-term maturities of these instruments.
- The fair value of security deposits is determined using discounted cash flow analysis.

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45. Financial risk management objectives and policies

The Group's principal financial liabilities, comprise borrowings, trade payables and capital creditors. The Group's principal financial assets include long security deposits, trade receivables, cash and short-term deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Group. The board provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

I. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include, deposits.

The sensitivity analyses of the above mentioned risk in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2024.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

	Increase/ decrease in basis points	Effect on profit before tax
		Rs. Million
31 March 2024		
INR	+50	(15.37)
INR	-50	15.37
31 March 2023		
INR	+50	(14.36)
INR	-50	14.36

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior year.

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45. Financial risk management objectives and policies (contd.)

B. Foreign currency sensitivity

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	31 March 2024		31 March 2023		1 April 2022	
	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.	Amount in FC	Amount in Rs.
Trade receivables						
EUR	719,274.00	63.56	365,486.17	32.66	134,288.06	11.29
USD	1,413,702.82	115.41	734,244.26	60.33	952,736.75	72.20
Trade payables						
EUR	75,093.00	6.91	86,740.30	7.75	85,935.51	7.23
USD	-	-	3,336.59	0.27	-	-
GBP	-	-	-	-	-	-
Borrowings						
EUR	725,309.88	64.10	245,220.45	21.92	153,258.30	12.89
USD	50,494.43	4.12	557,680.95	45.83	274,045.44	20.77
Payable for property, plant and equipment						
EUR	580.00	0.05	-	-	580.00	0.05
USD	8,700.00	0.74	-	-	13,200.00	1.00
GBP	27,500.00	2.95	27,500	2.80	27,500.00	2.74
	31 March 2024		31 March 2023		1 April 2022	
	Impact on profit before tax					
	Change +1%	Change -1%	Change +1%	Change -1%	Change +1%	Change -1%
Trade receivables						
EUR	0.64	(0.64)	0.33	(0.33)	0.11	(0.11)
USD	1.14	(1.14)	0.60	(0.60)	0.72	(0.72)
Trade payables						
EUR	0.07	(0.07)	0.08	(0.08)	0.07	(0.07)
USD	-	-	0.00	(0.00)	0.01	(0.01)
GBP	-	-	-	-	0.03	(0.03)
Borrowings						
EUR	0.64	(0.64)	0.22	(0.22)	0.13	(0.13)
USD	0.04	(0.04)	0.46	(0.46)	0.21	(0.21)
Amount payable for property, plant and equipment						
EUR	0.00	(0.00)	-	-	0.00	(0.00)
USD	0.01	(0.01)	-	-	0.01	(0.01)
GBP	0.03	(0.03)	0.03	(0.03)	0.03	(0.03)

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of monetary assets and liabilities denominated in foreign currency.

II. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and/or other criteria, and are only made within approved limits. The management continually re-assess the Group's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the Balance Sheet date.



Metalman Auto Limited*(Formerly as Metalman Auto Private Limited)*

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Notes to Consolidated Financial Statements for the Year ended March 31, 2024**(Amount in Rupees million, unless otherwise stated)****45. Financial risk management objectives and policies (contd.)****A. Trade receivables**

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the years end the Group does not have any significant concentrations of bad debt risk other than disclosed in Note 13.

An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 44. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Credit risk (contd.)**B. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties.

III. Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of working capital loans. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

	Less than 12 months	1 to 5 years	> 5 years	Total
As at				
31 March 2024				
Borrowings (non-current)	-	1,636.67	224.01	1,860.68
Borrowings (current)	1,266.47	-	-	1,266.47
Trade payables	1,429.09	-	-	1,429.09
Lease liabilities	21.17	26.49	-	47.66
Other financial liabilities (current)	273.16	-	-	273.16
	2,989.89	1,663.16	224.01	4,877.06
As at				
31 March 2023				
Borrowings (non-current)	-	1,521.65	388.13	1,909.78
Borrowings (current)	1,196.67	-	-	1,196.67
Trade payables	1,730.39	-	-	1,730.39
Lease liabilities	13.95	27.13	-	41.08
Other financial liabilities (current)	173.75	-	-	173.75
	3,114.76	1,548.78	388.13	5,051.67
As at				
1 April 2022				
Borrowings (non-current)	-	998.62	433.03	1,431.65
Borrowings (current)	422.74	-	-	422.74
Trade payables	1,024.78	-	-	1,024.78
Lease liabilities	16.04	30.68	3.66	50.38
Other financial liabilities (current)	114.92	-	-	114.92
	1,578.48	1,029.30	436.69	3,044.47

IV. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry. The Group is a manufacturer of float glass, mirror and other value added glass and the management have assessed risk concentration as low.



46. Capital Management

The objective of the Group's capital management structure is to ensure that there remains sufficient liquidity within the Group to carry out committed work programme requirements. The Group monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31 March 2024.

Particulars	As at 31 March 2024	As at 31 March 2023	As at 1 April 2022
Borrowing	3,127.15	3,106.45	1,854.39
Less: Cash and bank balances *	(45.83)	(191.72)	(10.40)
Net debts (A)	3,081.32	2,914.73	1,843.99
Total equity	3,354.50	2,853.20	2,184.56
Total net debt and equity (B)	6,435.82	5,767.93	4,028.55
Gearing ratio (%) (A/B)	47.88%	50.53%	45.77%

* This includes non-current deposits with banks.

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47. Additional information required by Schedule III

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Metalman Auto Limited								
Mar-24	88.87%	2,981.01	102.83%	514.21	84.92%	1.07	102.79%	515.28
Mar-23	86.42%	2,465.73	42.00%	265.04	93.93%	2.32	42.20%	267.36
Subsidiary								
Metalman Micro Turners								
Mar-24	2.53%	85.27	22.03%	110.17	15.08%	0.19	22.02%	110.36
Mar-23	-0.88%	(25.11)	-3.98%	(25.12)	0.10%	0.00	-3.96%	(25.11)
Associate (Investment as per equity method)								
Metalman Micro Turners								
Mar-24	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Mar-23	0.00%	-	4.37%	27.55	6.07%	0.15	4.37%	27.70
Non-controlling interest								
Metalman Micro Turners								
Mar-24	1.10%	36.78	0.45%	2.23	0.00%	-	0.45%	2.23
Mar-23	1.21%	34.55	-0.08%	(0.51)	0.00%	(0.00)	-0.08%	(0.51)
Adjustment due to consolidation								
Mar-24	7.50%	251.44	-25.31%	(126.57)	0.00%	-	-25.25%	(126.57)
Mar-23	13.25%	378.03	57.70%	364.15	-0.10%	(0.00)	57.47%	364.15
Total								
Mar-24	100%	3,354.50	100%	500.04	100%	1.26	100%	501.30
Mar-23	100%	2,853.20	100%	631.11	100%	2.47	100%	633.58



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48 Business Combination

During the financial year 2022-23, the Parent Company has increased its stake in the existing associate partnership firm namely "Metalman Micro Turners" from 50% to 98%. Due to this entity has become the subsidiary of the Holding Company w.e.f. March 29, 2023. This entity is engaged in the business of manufacturing of auto parts of 4 wheelers and 2 wheelers.

Assets acquired and liabilities assumed: The fair values of the identifiable assets and liabilities in acquired in the business combination on the date of acquisition were as follows:

Particulars	Amount (in Rs. million)
Property, plant and equipment including, right of use assets and CWIP	2,418.69
Goodwill *	23.57
Inventories	183.68
Trade receivables including contract assets	732.64
Cash and bank balance	63.09
Others financial assets	38.27
Others current assets	203.08
Borrowings	(483.11)
Trade payable	(701.47)
Other current liabilities	(161.32)
Other financial liabilities	(20.92)
Current tax liabilities	(186.71)
Deferred tax liabilities	(79.89)
Deferred tax liabilities on fair valuation impact	(276.53)
Identifiable net assets acquired at fair value	1,753.07
Share acquired	841.47
Fair value of consideration paid	997.80
Goodwill / (Capital reserve)	156.33
Non-controlling interest on account of above business combination	35.06

Particulars	Amount (in Rs. million)
Goodwill purchased by the partnership firm in the FY 2018-19	23.57
Goodwill recognised on account of above transactions	156.33
Total	179.90

*The above Goodwill is checked for impairment testing on an annual basis.

The re-measurement to fair value of existing equity interest in acquiree in business combination are as follows-

Particulars	Amount (in Rs. million)
Investment value of existing interest	484.12
Company share of Identifiable net assets acquired at fair value	876.53
Re-measurement (gain)/loss	(392.41)

As per Ind AS 103, in a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income, as appropriate. Accordingly, the Company has recognised Rs. 392.41 million in other income in Statement of Profit and Loss.

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Metalman Auto Limited
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Notes to Consolidated Financial Statements for the Year ended March 31, 2024
(Amount in Rupees million, unless otherwise stated)

49. The Holding Company has in-house Research and Development centre involved in development activities for new products, improvement in existing products and processes. Detail of revenue and capital expenditure incurred is as detailed below:-

Particulars	Year ended March 31, 2024			Year ended March 31, 2023		
	Eligible	Not eligible	Total	Eligible	Not eligible	Total
A) Revenue expenses :						
Salaries and wages	21.45	-	21.45	19.44	-	19.44
Raw material consumption	8.97	-	8.97	-	-	-
Power and fuel and water	0.46	-	0.46	2.11	-	2.11
Travelling and conveyance	0.11	-	0.11	0.09	-	0.09
Miscellaneous expenses	-	-	-	0.06	-	0.06
Other	0.43	-	0.43	5.68	-	5.68
Total	31.42	-	31.42	27.38	-	27.38
B) Capital expenses :						
Addition to property, plant and equipment	-	-	-	-	-	-
Grand total	31.42	-	31.42	27.38	-	27.38

The revenue expenses related to Research and Development is clubbed under respective heads in statement of profit and loss.

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50. FIRST-TIME IND AS ADOPTION RECONCILIATIONS

First time adoption of Ind AS

These consolidated financial statements, for the year ended 31 March 2024, are the first the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2023, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for the year ended on 31 March 2024, together with the comparative period data as at and for the year ended 31 March 2023, as described in the summary of material accounting policies. In preparing these financial statements, the Group's opening balance sheet was prepared as at 1 April 2022, the Group's date of transition to Ind AS. This note explains exemptions availed by the Group in restating its Previous GAAP financial statements, including the consolidated balance sheet as at 1 April 2022 and the consolidated financial statements as at and for the year ended 31 March 2023.

Exemptions applied:

1. Mandatory exceptions;

a) Estimates

The estimates at 1 April 2022 and at 31 March 2023 are consistent with those made for the same dates in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Previous GAAP did not require estimation.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1 April 2022, the date of transition to Ind AS and as of 31 March 2023.

b) De-recognition of financial assets and liabilities :

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions. The group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c) Classification and measurement of financial assets:

Financial Instruments:

Financial assets like security deposits received and security deposits paid, has been classified and measured at amortised cost on the basis of the facts and circumstances that exist at the date of transition to Ind AS. Since, it is impracticable for the Group to apply retrospectively the effective interest method in Ind AS 109, the fair value of the financial asset or the financial liability at the date of transition to Ind AS by applying amortised cost method, has been considered as the new gross carrying amount of that financial asset or the financial liability at the date of transition to Ind AS.

2. Optional exemptions:

a. Deemed cost:- (PPE and Intangible)

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

b. Business combinations: -

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Group has elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile total equity and total comprehensive income for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.



50. FIRST-TIME IND AS ADOPTION RECONCILIATIONS

I. Effect of Ind AS Adoption on the consolidated balance sheet

Particulars	Notes	Audited as at 1 April 2022	Adjustments	Restated as at 1 April 2022	Audited as at 31 March 2023	Adjustments	Restated as at 31 March 2023
ASSETS							
Non-current assets							
Property, plant and equipment	4,5	2,628.76	-	2,628.76	3,526.42	903.91	4,430.33
Right of use assets	1	149.58	32.11	181.69	349.06	240.35	589.41
Capital work-in-progress		25.00	-	25.00	86.85	-	86.85
Intangible assets	5	1.95	-	1.95	27.71	(0.29)	27.42
Goodwill	5	-	-	-	499.20	(319.30)	179.90
Financial assets:							
i) Investments	6	442.64	13.94	456.58	-	-	-
ii) Other financial assets	2	40.45	(0.64)	39.81	52.68	(0.55)	52.13
Current tax assets	6	-	-	-	42.28	(42.28)	-
Other non-current assets		21.43	-	21.43	151.52	-	151.52
Total non-current assets		3,309.81	45.41	3,355.22	4,735.72	781.84	5,517.56
Current assets							
Inventories		743.37	-	743.37	950.77	-	950.77
Financial assets:							
i) Trade receivables	3	1,312.05	(59.38)	1,252.67	2,031.33	(66.91)	1,964.42
ii) Cash and cash equivalents		3.55	-	3.55	177.25	-	177.25
iii) Bank balances other than cash and cash equivalents		6.60	-	6.60	11.92	-	11.92
iv) Loans		-	-	-	0.86	-	0.86
v) Other financial assets	4	66.42	140.57	206.99	67.03	168.12	235.15
Other current assets		124.40	-	124.40	198.24	-	198.24
Total current assets		2,256.39	81.19	2,337.58	3,437.40	101.21	3,538.61
Total Assets		5,566.20	126.60	5,692.80	8,173.12	883.05	9,056.17
EQUITY AND LIABILITIES							
Equity							
Equity share capital		27.19	-	27.19	27.19	-	27.19
Other equity	5	2,099.44	57.93	2,157.37	2,396.84	394.62	2,791.46
Equity attributable to equity holders of the parent		2,126.63	57.93	2,184.56	2,424.03	394.62	2,818.65
Non-controlling Interest		-	-	-	1.69	32.86	34.55
Total equity		2,126.63	57.93	2,184.56	2,425.72	427.48	2,853.20
LIABILITIES							
Non-current liabilities							
Financial liabilities:							
Borrowings		1,431.65	-	1,431.65	1,909.78	-	1,909.78
Lease liabilities	1	-	29.55	29.55	-	20.35	20.35
Provisions		27.70	-	27.70	28.13	-	28.13
Deferred tax liabilities (net)	6	297.67	5.27	302.94	341.05	322.08	663.13
Total non-current liabilities		1,757.02	34.82	1,791.84	2,278.96	342.43	2,621.39
Current liabilities							
Financial liabilities:							
i) Borrowings		422.74	-	422.74	1,196.67	-	1,196.67
ii) Lease liabilities	1	-	13.11	13.11	-	15.32	15.32
iii) Trade payables							
- total outstanding dues of micro and small enterprises		28.69	-	28.69	106.04	-	106.04
- total outstanding dues of creditors other than micro and small enterprises		996.09	-	996.09	1,624.35	-	1,624.35
iv) Other financial liabilities		114.92	-	114.92	173.75	-	173.75
Other current liabilities	4	88.06	20.74	108.80	264.74	17.29	282.03
Provisions		4.12	-	4.12	9.57	-	9.57
Current tax liabilities (net)	6	27.93	-	27.93	93.32	80.53	173.85
Total current liabilities		1,682.55	33.85	1,716.40	3,468.44	113.14	3,581.58
Total Equity and Liabilities		5,566.20	126.60	5,692.80	8,173.12	883.05	9,056.17

Note: The audited consolidated financial statements figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.



50. FIRST-TIME IND AS ADOPTION RECONCILIATIONS (Contd.)

2. Effect of Ind AS Adoption on the consolidated statement of profit and loss for the year ended March 31, 2023

Particulars	Notes	Audited as at 31 March 2023	Adjustments	Restated as at 31 March 2023
INCOME				
Revenue from operations	8	10,512.05	(8.14)	10,503.91
Other income	2,4,5	19.53	403.49	423.02
Total Income (I)		10,531.58	395.35	10,926.93
EXPENSES				
Cost of materials consumed		7,860.49	-	7,860.49
Changes in inventories of finished goods and work-in-progress		(38.35)	-	(38.35)
Employee benefits expense	7	538.35	3.55	541.90
Finance costs	1	137.07	3.29	140.36
Depreciation and amortisation expense	1	281.20	14.27	295.47
Other expenses	1,3,8	1,430.25	(18.38)	1,411.87
Total expenses (II)		10,209.01	2.73	10,211.74
Profit before share of net profits of investments accounted for using equity method and tax (I-II)		322.57	392.62	715.19
Share of net profit/ (loss) of associate accounted for using the equity method	6	80.93	(53.53)	27.40
Profit before tax (I-II)		403.50	339.09	742.59
Tax expense:				
Current tax		127.85	(18.77)	109.08
Taxation related to earlier years		(0.12)	-	(0.12)
Deferred tax charge/(benefits)	6	(12.21)	14.73	2.52
Total tax expenses		115.52	(4.04)	111.48
Profit for the year		287.98	343.13	631.11
Other Comprehensive Income				
Items that will not be reclassified to profit or loss in subsequent period				
Re-measurement gain on defined benefit plans	9	-	3.56	3.56
Share of other comprehensive income in associate			0.15	0.15
Income tax effect		-	(1.24)	(1.24)
Other comprehensive income for the year, net of tax		-	2.47	2.47
Total comprehensive income for the year, net of tax		287.98	345.60	633.58

Note

- The audited consolidated financial statements figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.
- There have been no restatement adjustment relating to financial year ended on March 31, 2024.



3. Reconciliation of total equity as at 31 March 2023 and 1 April 2022

Particulars	Notes	31 March 2023	1 April 2022
Total equity (shareholder's funds) as per audited consolidated financial statements of respective years		2,398.53	2,099.44
Adjustments:			
- Accounting for operating lease as per Ind AS 116	Note – 1	(11.71)	(11.94)
- Measurement of certain financial assets at amortised cost	Note – 2	1.09	0.80
- Provision for Expected credit loss on trade receivables	Note – 3	(66.91)	(59.38)
- Change in Accounting policy of government grant recognised on accrual basis as per Ind AS 20	Note – 4	121.67	119.78
- Re-measurement of existing equity interest in associate entity	Note – 5	392.41	-
- Re-measurement of Non-controlling interest	Note – 5	32.86	-
- Change in share of profit from associate on account of Ind AS adoption and other corrections	Note – 7	(39.44)	13.94
- Deferred tax impacts		(2.49)	(5.27)
Total adjustments		427.48	57.93
Total equity as per consolidated financial statements		2,826.01	2,157.37

4. Reconciliation of profit/(loss) and total comprehensive income for the year ended 31 March 2023

Particulars	Notes	31 March 2023
Profit after tax as per audited consolidated financial statements of respective years		287.98
Adjustments:		
- Accounting for operating lease as per Ind AS 116	Note – 1	0.23
- Measurement of certain financial assets at amortised cost	Note – 2	0.29
- Provision for Expected credit loss on trade receivables	Note – 3	(7.53)
- Change in Accounting policy of government grant recognised on accrual basis as per Ind AS 20	Note – 4	10.79
- Fair value gain on re-measurement of previously held interest in associate entity as per Ind AS 103	Note – 5	392.41
- Change in share of profit from associate on account of Ind AS adoption and other corrections	Note – 7	(53.53)
- Remeasurement of defined benefit obligations reclassified to Other comprehensive income (OCI)	Note – 8	(3.56)
- Deferred tax impacts		4.03
Total adjustments		343.13
Profit for the year as per consolidated financial statements		631.11
Other comprehensive income (OCI)		
- Remeasurement of defined benefit obligations reclassified to Other comprehensive income (OCI)	Note – 8	3.56
- Share of other comprehensive income in associate	Note – 7	0.15
- Deferred tax impacts on above adjustment		(1.24)
Total comprehensive income for the year as per consolidated financial statements		633.58

5. Impact of restatement adjustment on the consolidated cash flows statement for the year ended 31 March 2023

The restatement adjustment has not made a material impact on the consolidated statement of cash flows.

6. The Ind AS consolidated financial statements of the Group for the corresponding year ended 31 March 2023 and Ind AS transition date 1 April 2022 are audited by the erstwhile auditor of the Company i.e. K. C. Khanna & Co. who expresses unmodified opinions on these statements on July 11, 2024.



6 Notes to the reconciliations

Note – 1

Accounting for operating lease as per Ind AS 116

Under the previous GAAP, the operating lease rentals were recognised as expenses in the statement of profit and loss. However, under Ind AS, the Group has measured lease liability at the date of transition to Ind AS at the present value of the remaining lease payments, discounted using the its incremental borrowing rate at the date of transition to Ind AS and correspondingly the Group has measured a right-of-use asset at the date of transition to Ind AS at its carrying amount as if Ind AS had been applied since the commencement date of the lease, but discounted using its incremental borrowing rate at the date of transition to Ind AS.

Note – 2

Measurement of certain financial assets at amortised cost

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as right of use asset.

Note – 3

Provision for expected credit loss on trade receivables

Under previous GAAP, the Group created provision for impairment of receivables consists only in respect of specific amount for incurred losses. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss model (ECL).

Note – 4

Accounting of government grant as per Ind AS 20

Under the previous GAAP as per AS 12, subsidies received by the Group against the investment made at the manufacturing plants were considered in the nature of Promoter's contribution and directly credited to the Capital Reserve account on receipt basis and were not routed through the Statement of Profit and Loss. However, under Ind AS, Government grants are routed through the Statement of Profit and Loss when the attached conditions are complied with and when there is reasonable assurance that the grant will be received. Accordingly, the subsidy are recognised on accrual basis. For grant related to assets, the cost of the asset is shown at gross value and grant thereon is treated as deferred income which is recognized as income in Statement of Profit and Loss over the period and in proportion in which depreciation is charged. For grant related to expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

Note – 5

Accounting of business combination as per Ind AS 103

During the financial year 2022-23, the Company has increased its stake in the existing associate partnership firm namely "Metalman Micro Turners" from 50% to 98%. Due to this entity has become the subsidiary of the Company w.e.f. March 29, 2023 and accordingly as per Ind AS 103, the Company has remeasured its previously held interest and Non-controlling interest at fair value on acquisition date and recognised the resulting gain or loss in statement of profit or loss .

Note – 6

Due to Ind AS adoption by associate entity resulting into change in share of profit.

Note – 7

Remeasurement of defined benefit obligations reclassified to Other comprehensive income (OCI)

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to Other Equity through OCI.



Metalman Auto Private Limited
(Formerly as Metalman Auto Private Limited)
(CIN: U34103DL1986PLC305213)
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(Amount in Rupees million, unless otherwise stated)

Note – 8

Revenue from operations

Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended 31 March 2023.

Note – 9

Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP.



Metalman Auto Limited

(Formerly as Metalman Auto Private Limited)

(CIN: U34103DL1986PLC305213)

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(Amount in Rupees million, unless otherwise stated)

51. Other statutory information:

(i) No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) None of the group entity has not been declared a wilful defaulter by any bank or financial Institution or other lender.

(iii) Utilisation of Borrowed funds and share premium:

The Group has not advanced or loaned or invested funds to any other person or entity, 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 group (Ultimate Beneficiaries) or

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

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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,

(v) The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the period (previous 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).

(iv) The Group has not traded or invested in crypto currency or virtual currency during the financial period.

(v) No significant subsequent events other than as disclosed in note 20 - "Equity share capital", have been observed which may require an adjustments to the consolidated financial statements.

(vi) The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(vii) The Group has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

52. Previous years' figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

In terms of our report of even date

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No.: 105047W



Vinod Gupta

Partner

Membership No.: 503690

Place: Delhi

Date: July 11, 2024



For and on behalf of the Board of Directors of

Metalman Auto Limited

(Formerly as Metalman Auto Private Limited)





Navneet Jaisrath

Managing Director

DIN: 01620652



Bikramjit Bembi

Chairman

DIN: 01677152



Ajay Kumar Dubey

Chief Financial Officer



Tarun Kumar

Company Secretary

M.NO:F9256